

FIDELITY SOUTHERN CORP

Form 424B3

December 30, 2015

TABLE OF CONTENTS

Filed Pursuant to Rule 424(b)(3)

Registration No. 333-208228

PROXY STATEMENT/PROSPECTUS

MERGER PROPOSED — YOUR VOTE IS VERY IMPORTANT

These materials are a proxy statement of American Enterprise Bankshares, Inc. (“AEB”) and a prospectus of Fidelity Southern Corporation (“Fidelity”). They are furnished to you in connection with the notice of special meeting of AEB shareholders to be held on January 29, 2016. At the special meeting of AEB shareholders, you will be asked to vote on the merger of AEB with and into Fidelity described in more detail herein. As of December 23, 2015, the record date for the AEB shareholders meeting, there were 3,055,223 shares of common stock outstanding and entitled to vote at that meeting. Approval of the merger requires the affirmative vote of holders of a majority of the shares of AEB common stock.

On October 26, 2015, AEB entered into an Agreement and Plan of Merger with Fidelity that provides for the merger of the two holding companies. If approved by AEB shareholders, AEB will merge with and into Fidelity (the “merger”), and American Enterprise Bank of Florida will merge with and into Fidelity Bank (the “bank merger”).

If the merger is approved and consummated, unless adjusted pursuant to the terms of the Agreement and Plan of Merger, holders of AEB common stock will be entitled to receive shares of Fidelity common stock based upon the volume weighted average price of Fidelity common stock for a twenty-day trading period prior to the closing of the merger (the “VWAP”), subject to minimum and maximum exchange ratios as follows:

- If the VWAP immediately prior to the merger is equal to or greater than \$23.20, then each share of AEB common stock will be converted into 0.237 shares of Fidelity common stock;
- If the VWAP immediately prior to the merger is less than \$23.20, but greater than \$18.98, then each share of AEB common stock will be converted into \$5.50 payable in shares of Fidelity common stock (with the exchange ratio equal to \$5.50 divided by the VWAP; and
- If the VWAP immediately prior to the merger is equal to or less than \$18.98, then each share of AEB common stock will be converted into 0.290 shares of Fidelity common stock (such ratio in each of the three scenarios, the “exchange ratio”).

The market value of the merger consideration may fluctuate with the market price of Fidelity common stock and will not be known at the time AEB shareholders vote on the merger. Furthermore, pursuant to the termination provisions contained in the merger agreement, under certain circumstances, Fidelity may increase the exchange ratio or make a cash payment to AEB shareholders to avoid termination of the merger. Based on the \$21.32 per share closing price of Fidelity’s common stock on the Nasdaq Global Select Market on December 22, 2015, the last practicable date before the date of this document, the value of the per share merger consideration payable to holders of AEB common stock was approximately \$5.50, and the aggregate merger consideration (assuming the conversion of all outstanding

subordinated debentures) was approximately \$27,623,700.50. We urge you to obtain current market quotations for Fidelity (Nasdaq Global Select Market trading symbol "LION") because the value of the per share merger consideration will fluctuate.

As of December 23, 2015, the record date for the AEB special meeting of shareholders, there were 3,055,223 shares of AEB common stock outstanding and entitled to vote at the special meeting. Fidelity will issue 1,295,671 shares of common stock to AEB shareholders and AEB subordinated debenture holders (assuming all such holders elect to convert their debentures) in the aggregate upon completion of the merger if the merger is approved and consummated and there is no adjustment to the stock

TABLE OF CONTENTS

consideration paid by Fidelity. The exact number of shares of Fidelity common stock that will be issued in the merger will be dependent on the exchange ratio, which will not be determined until the date of the merger, and the number of shares of AEB common stock outstanding immediately prior to the merger.

This document, which serves as a proxy statement for the meeting of AEB shareholders and as a prospectus with respect to the offering and issuance of the maximum of 1,295,671 shares of Fidelity common stock to be issued in the merger and upon conversion of subordinated debentures, describes the AEB shareholders meeting, and includes important information about the proposed merger, the companies participating in the merger, and the Agreement and Plan of Merger pursuant to which the merger will be consummated if approved. We encourage you to read the entire document carefully, including the “Risk Factors” section beginning on page 12, for a discussion of the risks related to the proposed merger.

AEB’s board of directors has determined that the Agreement and Plan of Merger and the transactions contemplated thereby, including the merger, are in the best interests of AEB and its shareholders, has approved the Agreement and Plan of Merger and the transactions contemplated thereby and recommends that AEB shareholders vote “FOR” all of the proposals described in this document.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or passed upon the adequacy or accuracy of these materials. Any representation to the contrary is a criminal offense. Shares of common stock of Fidelity are not savings accounts, deposits or other obligations of any bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

The date of these materials is December 29, 2015, and they are expected to be first mailed to shareholders on or about December 29, 2015.

TABLE OF CONTENTS

AMERICAN ENTERPRISE BANKSHARES, INC.

10611 Deerwood Park Boulevard

Jacksonville, Florida 32256

Notice Of Special Meeting Of Shareholders

To Be Held On January 29, 2016

A special meeting of shareholders of American Enterprise Bankshares, Inc. will be held on January 29, 2016, at 11:00 a.m., at the Sheraton Hotel, 10605 Deerwood Park Boulevard, Jacksonville, Florida 32256 for the following purposes:

1.

To consider and vote on an Agreement and Plan of Merger (the “merger agreement”), under which American Enterprise Bankshares, Inc. (“AEB”) will merge with and into Fidelity Southern Corporation (“Fidelity”), as more particularly described in the accompanying materials; and

2.

To transact such other business as may properly come before the special meeting or any adjournments of the special meeting.

Only shareholders of record at the close of business on December 23, 2015 are entitled to notice of and to vote at the special meeting and any adjournment thereof. AEB’s board of directors has adopted a resolution approving the merger and the merger agreement and unanimously recommends that you vote “FOR” all of the proposals described in the accompanying materials.

Business and financial information about AEB is available without charge to you upon written or oral request made to T. Edwin Stinson, Jr., Chief Financial Officer, American Enterprise Bankshares, Inc., 10611 Deerwood Park Boulevard, Jacksonville, Florida 32256, telephone number (904) 482-4973. To obtain delivery of such business and financial information before the special meeting, your request must be received no later than January 22, 2016.

YOUR VOTE IS VERY IMPORTANT. If you hold your shares of record in your name, you can vote your shares by signing, dating and returning the enclosed proxy card. If you are the record holder of the shares, you may change your vote by: (1) if you previously completed and returned a proxy card, submitting a new proxy card with a later date and returning it to AEB prior to the vote at the special meeting; (2) submitting timely written notice of revocation to AEB’s Corporate Secretary, T. Edwin Stinson, Jr., at American Enterprise Bankshares, Inc., 10611 Deerwood Park Boulevard, Jacksonville, Florida 32256, at any time prior to the vote at the special meeting; or (3) attending the special meeting in person and voting your shares at the special meeting. If your shares are held in street name, you may vote your shares by following the instructions provided by your brokerage firm, bank or other similar entity. If your shares are held in street name, you may change your vote by submitting new voting instructions to your brokerage firm, bank or other similar entity or, if you have obtained a legal proxy from your brokerage firm, bank, or other similar entity giving you the right to vote your shares, you may change your vote by attending the special meeting and voting in person.

By Order of the Board of Directors,

T. Edwin Stinson, Jr.

Corporate Secretary

December 29, 2015

Jacksonville, Florida

TABLE OF CONTENTS
TABLE OF CONTENTS

	Page
<u>QUESTIONS AND ANSWERS ABOUT THE MERGER</u>	1
<u>SUMMARY</u>	4
<u>The Companies</u>	4
<u>The Terms of the Merger</u>	5
<u>The Reasons Management of Both Companies Support the Merger</u>	5
<u>Shareholders' Meeting</u>	6
<u>Record Date</u>	6
<u>Vote Required</u>	6
<u>Accounting Treatment</u>	6
<u>Conditions, Termination, and Effective Date</u>	6
<u>Appraisal Rights of Dissenting Shareholders</u>	6
<u>Federal Income Tax Consequences</u>	6
<u>Opinion of AEB's Financial Advisor</u>	7
<u>Markets for Common Stock</u>	7
<u>Interests of Directors and Officers of AEB and American Enterprise Bank of Florida in the Merger</u>	8
<u>Differences in Legal Rights Between Shareholders of AEB and Fidelity</u>	8
<u>Dividends</u>	9
<u>SUMMARY CONSOLIDATED FINANCIAL INFORMATION OF FIDELITY</u>	10
<u>RISK FACTORS</u>	12
<u>DETAILS OF THE PROPOSED MERGER</u>	15
<u>Background of the Merger</u>	15
<u>Recommendation of AEB's Board of Directors and Reasons for the Merger</u>	16
<u>Merger Consideration Adjustment and Termination Rights</u>	18
<u>The Merger Agreement</u>	19
<u>Required Shareholder Approval and Consent</u>	22
<u>Expenses</u>	22
<u>Conduct of Business of AEB Pending Closing</u>	22
<u>Interests of the Directors and Officers of AEB and American Enterprise Bank of Florida in the Merger</u>	23
<u>Differences in Legal Rights Between Shareholders of AEB and Fidelity</u>	24
<u>Dividends</u>	28
<u>Accounting Treatment</u>	28
<u>Regulatory Approvals</u>	28
<u>Appraisal Rights of Dissenting Shareholders</u>	29
<u>Material Federal Income Tax Consequences of the Merger and Opinion of Tax Counsel</u>	31
<u>Opinion of AEB's Financial Advisor</u>	34
<u>INFORMATION ABOUT FIDELITY SOUTHERN CORPORATION</u>	42
<u>General</u>	42
<u>Securities</u>	42

<u>INFORMATION ABOUT AMERICAN ENTERPRISE BANKSHARES, INC.</u>	<u>46</u>
<u>General — AEB</u>	<u>46</u>
<u>General — American Enterprise Bank of Florida</u>	<u>46</u>
<u>Property</u>	<u>46</u>
<u>Competition</u>	<u>46</u>
<u>Government Regulation and Control</u>	<u>46</u>
<u>Employees</u>	<u>46</u>

i

TABLE OF CONTENTS

	Page
<u>MANAGEMENT</u>	<u>47</u>
<u>Security Ownership of Management Personnel and Certain Beneficial Owners</u>	<u>47</u>
<u>Limitation of Director Liability</u>	<u>48</u>
<u>Certain Transactions with Management</u>	<u>48</u>
<u>Director Compensation</u>	<u>49</u>
<u>INTEREST OF CERTAIN PERSONS IN THE MERGER</u>	<u>50</u>
<u>LEGAL MATTERS</u>	<u>50</u>
<u>EXPERTS</u>	<u>50</u>
<u>OTHER MATTERS</u>	<u>50</u>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	<u>50</u>
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	<u>50</u>
<u>A WARNING ABOUT FORWARD-LOOKING STATEMENTS</u>	<u>52</u>
Appendix A — Agreement and Plan of Merger	A-1
Appendix B — Florida Dissenter Provisions	B-1
Appendix C — Fairness Opinion	C-1

TABLE OF CONTENTS

QUESTIONS AND ANSWERS ABOUT THE MERGER

Q:

What am I being asked to approve?

A:

You are being asked to approve the Agreement and Plan of Merger by and between AEB and Fidelity, pursuant to which AEB will be merged with and into Fidelity. Approval of the merger requires the affirmative vote of a majority of the outstanding shares of AEB common stock. The AEB board of directors has unanimously approved and adopted the Agreement and Plan of Merger and recommends voting “FOR” approval of this merger agreement.

Q:

When is the merger expected to be completed?

A:

We plan to complete the merger during the first quarter of 2016.

Q:

What will I receive in the merger?

A:

If the merger is approved and consummated, unless adjusted pursuant to the terms of the Agreement and Plan of Merger, holders of AEB common stock will be entitled to receive shares of Fidelity common stock based upon the volume weighted average price of Fidelity common stock for a twenty-day trading period prior to the closing of the merger (the “VWAP”), subject to minimum and maximum exchange ratios as follows:

- If the VWAP immediately prior to the merger is equal to or greater than \$23.20, then each share of AEB common stock will be converted into 0.237 shares of Fidelity common stock;
- If the VWAP immediately prior to the merger is less than \$23.20, but greater than \$18.98, then each share of AEB common stock will be converted into \$5.50 payable in shares of Fidelity common stock (with the exchange ratio equal to \$5.50 divided by the VWAP); and
- If the VWAP immediately prior to the merger is equal to or less than \$18.98, then each share of AEB common stock will be converted into 0.290 shares of Fidelity common stock (such ratio in each of the three scenarios, the “exchange ratio”).

The market value of the merger consideration may fluctuate with the market price of Fidelity common stock and will not be known at the time AEB shareholders vote on the merger. Furthermore, pursuant to the termination provisions contained in the merger agreement, under certain circumstances, Fidelity may increase the exchange ratio or make a cash payment to AEB shareholders to avoid termination of the merger. Based on the \$21.32 per share closing price of Fidelity’s common stock on the Nasdaq Global Select Market on December 22, 2015, the last practicable date before the date of this document, the value of the per share merger consideration payable to holders of AEB common stock was approximately \$5.50, and the aggregate merger consideration (assuming the conversion of all outstanding subordinated debentures) was approximately \$27,623,700.50.

To review what you will receive in the merger in greater detail, see “Details of the Proposed Merger — Merger Consideration Adjustment and Termination Rights” beginning on page 18.

Q:

Will the value of the merger consideration change between the date of this document and the time the merger is completed?

A:

Yes. The value of the merger consideration may fluctuate between the date of this document and the completion of the merger based upon the market value of Fidelity common stock. Any fluctuation in the market price of Fidelity common stock after the date of this document may change the value of the shares of Fidelity common stock that AEB shareholders will receive. AEB shareholders should obtain current market quotations for Fidelity common stock, which is traded under the symbol "LION" on the Nasdaq Global Select Market.

Q:

What will my ownership of Fidelity be post-merger?

A:

It is currently expected that, following the merger, the former shareholders of AEB and the former subordinated debenture holders of AEB (assuming all such holders elect to convert their debentures) as a group will receive shares in the merger constituting approximately 5.3% of the outstanding shares of Fidelity's common stock immediately after the merger.

TABLE OF CONTENTS

Q:

What should I do now?

A:

After you have carefully read this document and decided how you wish to vote your shares, please vote your shares promptly so that your shares will be represented and voted at the special meeting.

Record Holder: You do not have to attend the special meeting to vote. The AEB board of directors is soliciting proxies so that you can vote before the special meeting. Even if you currently plan to attend the special meeting, we recommend that you vote by proxy before the special meeting so that your vote will be counted if you later decide not to attend. However, if you attend the special meeting and vote your shares by ballot, your vote at the special meeting will revoke any vote you submitted previously by proxy. If you are the record holder of your shares, you may vote by completing, signing, dating and returning the enclosed proxy card.

If you vote by returning the enclosed proxy card, you will be designating F. Sutton McGehee, Jr. and Bennett Brown as your proxies to vote your shares as you instruct. If you vote by returning your proxy card without giving specific voting instructions, these individuals will vote your shares by following the recommendations of the AEB board of directors. If any other business properly comes before the special meeting, these individuals will vote on those matters in a manner they consider appropriate.

Street Holder: If your shares are held in street name, you may vote your shares before the special meeting by mail, by completing, signing and returning the voting instruction form you received from your broker, bank or other nominee. You should check your voting instruction form to see if any alternative method, such as internet or telephone voting, is available to you.

Q:

If my shares of AEB common stock are held in street name by my broker, bank or other nominee, will my broker, bank or other nominee automatically vote my shares for me?

A:

No. If you hold your shares in a stock brokerage account or if your shares are held by a bank or other nominee (that is, in street name), your broker, bank or other nominee may not vote your shares of AEB common stock unless you provide instructions to your broker, bank or other nominee on how to vote.

You should instruct your broker, bank or other nominee to vote your shares by following the instructions provided by the broker, bank or nominee with this document. Please note that you may not vote shares held in street name by returning a proxy card directly to AEB or by voting in person at the special meeting unless you provide a "legal proxy," which you must obtain from your bank, broker or nominee and bring to the special meeting.

Q:

What if I abstain from voting or fail to instruct my bank or broker?

A:

If you (1) fail to submit a proxy or vote in person at the special meeting, (2) mark "Abstain" on your proxy card, or (3) fail to instruct your bank or broker how to vote, it will have the same effect as a vote "Against" the proposal. If you fail to submit a proxy or vote in person at the special meeting or fail to instruct your bank or broker how to vote, or mark "Abstain" on your proxy card with respect to any other proposal to be considered at the special meeting, it will have no effect on such other proposal.

Q:

Can I attend the special meeting and vote my shares in person?

A:

Yes. All AEB shareholders, including shareholders of record and shareholders who hold their shares through banks, brokers, nominees or any other holder of record, are invited to attend the special meeting. Record holders of AEB common stock can vote in person at the special meeting. If you are not a shareholder of record, you must obtain a proxy, executed in your favor, from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at the special meeting.

TABLE OF CONTENTS

Q:

Can I change my vote?

A:

Yes. If you are a holder of record of AEB common stock, you may revoke any proxy at any time before it is voted by (1) signing and returning a proxy card with a later date, (2) delivering a written revocation letter to AEB's Corporate Secretary, or (3) attending the special meeting in person, notifying the Corporate Secretary and voting by ballot at the special meeting. Attendance at the special meeting will not automatically revoke your proxy. A revocation or later-dated proxy received by AEB after the special meeting will be ineffective. AEB's Corporate Secretary's mailing address is: 10611 Deerwood Park Boulevard, Jacksonville, Florida 32256. If you hold your shares in "street name" through a bank or broker, you should contact your bank or broker if you want to revoke your proxy.

Q:

What information should I consider?

A:

We encourage you to read this entire document carefully. You should also review the factors considered by each company's board of directors discussed in "Details of the Proposed Merger-Background of the Merger" beginning on page 15 and "Details of the Proposed Merger — Recommendation of AEB's Board of Directors and Reasons for the Merger" beginning on page 16.

Q:

What are the tax consequences of the merger to me?

A:

We expect that the exchange of shares of AEB common stock for Fidelity common stock by AEB shareholders generally will be tax-free to you for federal income tax purposes. However, you will have to pay taxes at capital gains rates on cash received in lieu of fractional shares of Fidelity common stock and upon your exercise of appraisal rights. To review the tax consequences to AEB shareholders in greater detail, see "Details of the Proposed Merger — Material Federal Income Tax Consequences of the Merger and Opinion of Tax Counsel" beginning on page 31.

Your tax consequences will depend on your personal situation. You should consult your tax adviser for a full understanding of the tax consequences of the merger to you.

Q:

Should I send in my stock certificates now?

A:

No. After the merger is completed, you will receive written instructions from Fidelity for exchanging your AEB common stock certificates for Fidelity common stock.

Q:

Who should I call with questions?

A:

You should call T. Edwin Stinson, Jr., Chief Financial Officer, American Enterprise Bankshares, Inc., at (904) 482-4973, or Bennett Brown, President, American Enterprise Bankshares, Inc., at (904) 482-4970.

TABLE OF CONTENTS

SUMMARY

This summary highlights material information from these materials regarding the proposed merger. For a more complete description of the terms of the proposed merger, you should carefully read this entire document, and the related documents to which it refers. The Agreement and Plan of Merger and Bank Agreement and Plan of Merger, which are the legal documents that govern the proposed merger, are in Appendix A to these materials. In addition, the sections entitled “Where You Can Find More Information”, on page 50, and “Incorporation of Certain Documents By Reference”, on page 50, contain references to additional sources of information about Fidelity.

•

The Companies (see pages 42 and 46)

Fidelity Southern Corporation
3490 Piedmont Road, Suite 1550
Atlanta, Georgia 30305
(404) 639-6500

Fidelity is a bank holding company headquartered in Atlanta, Georgia. Fidelity conducts operations primarily through Fidelity Bank, a state chartered wholly-owned subsidiary bank. Fidelity Bank was organized as a national banking corporation in 1973 and converted to a Georgia chartered state bank in 2003. LionMark Insurance Company is a wholly-owned subsidiary of Fidelity and is an insurance agency offering consumer credit related insurance products. Fidelity also owns three subsidiaries established to issue trust preferred securities.

Fidelity is a legal entity separate and distinct from its bank subsidiary. Fidelity coordinates the financial resources of the consolidated enterprise and thereby maintains financial, operational and administrative systems that allow centralized evaluation of subsidiary operations and coordination of selected policies and activities. Fidelity’s operating revenues and net income are derived primarily from management fees and cash dividends received from Fidelity Bank. As of September 30, 2015, Fidelity had total assets of \$3.5 billion, total net loans of \$3.0 billion, total deposits of \$2.9 billion, and shareholders’ equity of \$295.3 million.

Fidelity’s principal executive offices are located at 3490 Piedmont Road, Suite 1550, Atlanta, Georgia 30305. Fidelity’s telephone number is (404) 639-6500 and its website is www.lionbank.com. Information on Fidelity’s website is not incorporated herein by reference and is not part of this document.

For a complete description of Fidelity’s business, financial condition, results of operations and other important information, please refer to Fidelity’s filings with the Securities and Exchange Commission (the “SEC”) that are incorporated by reference herein, including its Annual Report on Form 10-K for the year ended December 31, 2014 and Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2015, June 30, 2015 and September 30, 2015. For instructions on how to find copies of these documents, see “Where You Can Find More Information.”

American Enterprise Bankshares, Inc.
10611 Deerwood Park Boulevard
Jacksonville, Florida 32256

AEB was formed under the laws of the State of Florida in 2005 and is registered as a bank holding company under the Federal Reserve Act. American Enterprise Bank of Florida, AEB’s wholly-owned bank subsidiary, is an independent and locally oriented commercial bank, chartered under the laws of Florida and headquartered in Jacksonville, Florida. American Enterprise Bank of Florida provides a full range of banking and related financial services with a focus on service to individual clients, small business, and mortgage banking for its clients. The general banking business conducted includes the receipt of deposits, making of loans, issuance of checks, acceptance of drafts, consumer credit operations, and all aspects of a full service bank.

TABLE OF CONTENTS

•
The Terms of the Merger (see page 15)

If the merger is approved and consummated, unless adjusted pursuant to the terms of the Agreement and Plan of Merger, holders of AEB common stock will be entitled to receive shares of Fidelity common stock based upon the volume weighted average price of Fidelity common stock for a twenty-day trading period prior to the closing of the merger, or the VWAP, subject to minimum and maximum exchange ratios as follows:

•
If the VWAP immediately prior to the merger is equal to or greater than \$23.20, then each share of AEB common stock will be converted into 0.237 shares of Fidelity common stock;

•
If the VWAP immediately prior to the merger is less than \$23.20, but greater than \$18.98, then each share of AEB common stock will be converted into \$5.50 payable in shares of Fidelity common stock (with the exchange ratio equal to \$5.50 divided by the VWAP); and

•
If the VWAP immediately prior to the merger is equal to or less than \$18.98, then each share of AEB common stock will be converted into 0.290 shares of Fidelity common stock.

You will also receive a cash payment, without interest, for the value of any fraction of a share of Fidelity common stock that you would otherwise be entitled to receive in an amount equal to such fraction multiplied by the VWAP. AEB has \$6,000,000 in outstanding subordinated debentures. Holders of AEB's debentures currently have the right to convert their debentures into AEB common stock. The conversion price is derived by dividing 75% of the book value of shareholders' equity in AEB by the number of shares of common stock outstanding, with the book value and number of shares outstanding being calculated as of the end of the calendar quarter next preceding the conversion date. Prior to the consummation of the merger, AEB will issue a notice to its subordinated debenture holders advising them of the merger transaction and providing them with notice of their option to convert the debentures. Debenture holders that elect to convert their debentures into AEB common stock prior to the consummation of the merger will receive merger consideration for their shares of AEB common stock upon consummation.

For example, assuming a conversion date of October 26, 2015, the date the merger agreement was executed, and further assuming that all AEB debenture holders had elected to convert their debentures as of such date, then the conversion price would have been \$3.28 per share of AEB common stock based on shareholders' equity in AEB of \$13,353,464.29 and 3,055,223 shares of AEB common stock outstanding as of September 30, 2015.

Following the merger, AEB's subsidiary, American Enterprise Bank of Florida, will be merged with and into Fidelity Bank, a wholly-owned Georgia bank subsidiary of Fidelity, and Fidelity Bank will be the surviving bank.

•
The Reasons Management of Both Companies Support the Merger (see page 16)

The boards of directors of AEB and Fidelity support the merger and believe that it is in the best interests of both companies and their respective shareholders. The board of directors of AEB believes that the merger will allow AEB to better serve its customers and markets and that the merger will permit AEB shareholders to have an equity interest in a resulting financial institution with greater financial resources, significant economies of scale and a larger shareholder base, which will increase the liquidity of the AEB shareholders' equity investments. The board of directors of Fidelity believes that AEB provides Fidelity with an expansion opportunity in an attractive market area. Both boards of directors believe that the terms of the merger are fair and equitable and that following the merger the combined bank will maintain the competitive advantage of a community banking business model.

AEB's board of directors unanimously recommends a vote "FOR" approval of the merger.

TABLE OF CONTENTS

- Shareholders' Meeting

The special meeting of shareholders of AEB will be held on January 29, 2016 at 11:00 a.m., at the Sheraton Hotel, 10605 Deerwood Park Boulevard, Jacksonville, Florida 32256, for the purpose of voting on approval of the merger.

- Record Date

You are entitled to vote at the shareholders' meeting if you owned shares of AEB common stock on December 23, 2015.

- Vote Required (see page 22)

Approval by holders of a majority of the AEB common stock outstanding on December 23, 2015 is required to approve the merger. As of such date, 3,055,223 shares of AEB common stock were issued and outstanding, each of which is entitled to one vote per share. All of the directors of AEB have agreed to vote their shares in favor of the merger pursuant to an agreement. Further, under the merger agreement, AEB will use its best efforts to obtain agreements from all 5% shareholders of AEB under which such shareholders will agree to vote their shares in favor of the merger. The form of such agreement entered into by directors, and to be entered into by 5% shareholders, is attached as Exhibit B to the merger agreement, which is included as Appendix A to these materials. As of the record date, AEB's directors and 5% shareholders own 1,360,457 shares, or 45%, of AEB common stock (excluding options and convertible debentures).

- Accounting Treatment (see page 28)

The merger will be accounted for as a purchase of a business for financial reporting and accounting purposes.

- Conditions, Termination, and Effective Date (see pages 18 – 21 and 28)

The merger will not occur unless certain conditions are met, and Fidelity or AEB can terminate the merger agreement if specified events occur or fail to occur. The merger must also be approved by holders of the AEB common stock. Following the merger, AEB's subsidiary, American Enterprise Bank of Florida, will be merged into Fidelity's Georgia bank subsidiary, Fidelity Bank.

The merger and the bank merger must be approved by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and the Department of Banking and Finance of the State of Georgia. The closing of the merger will occur after the merger is approved by AEB shareholders and the foregoing regulators and after the issuance of the certificate of merger by the Secretary of State of Georgia or the Secretary of State of Florida with respect to the merger, as applicable.

- Appraisal Rights of Dissenting Shareholders (see page 29)

As a holder of AEB common stock, you are entitled to dissent from the merger and to receive a cash payment for your AEB common stock if you follow certain statutory provisions regarding the appraisal rights of dissenting shareholders under the Florida Business Corporation Act.

- Federal Income Tax Consequences (see page 31)

Fidelity has received an opinion from Troutman Sanders LLP, and AEB has received an opinion from Smith, Gambrell & Russell, LLP, stating that, assuming the merger is completed as currently anticipated, AEB will not recognize any gain or loss for federal income tax purposes, and shareholders of AEB to the extent they receive solely

Fidelity stock will not recognize any gain or loss for federal income tax purposes. All cash you receive as a result of the merger in lieu of fractional shares or as payment for exercising your

6

TABLE OF CONTENTS

right to dissent, will be fully or partially subject to income tax under the Internal Revenue Code of 1986, as amended, as capital gain or loss. Neither Fidelity nor AEB has requested a ruling to this effect from the Internal Revenue Service. We urge each AEB shareholder to contact his or her own tax advisor to fully understand the tax implications of the merger.

- Opinion of AEB’s Financial Advisor (see page 34)

Hovde Group, LLC (“Hovde”) has rendered an opinion to AEB that based on and subject to the procedures, matters, and limitations described in its opinion and other matters it considered relevant, as of the date of its opinion, the merger consideration is fair from a financial point of view to the shareholders of AEB. A summary of Hovde’s opinion begins on page 34 and the full opinion is attached as Appendix C to these materials.

- Markets for Common Stock

Fidelity’s common stock trades on the Nasdaq Global Select Market under the ticker symbol “LION”. The following table sets forth, for the periods indicated, the high, low and closing sales prices per share of Fidelity’s common stock as quoted on Nasdaq.

	High(*)	Low(*)	Close
2015			
Fourth Quarter (through December 22, 2015)	\$ 22.93	\$ 20.06	\$ 21.32
Third Quarter	21.40	17.23	21.14
Second Quarter	17.44	15.46	17.44
First Quarter	17.12	15.11	16.88
2014			
Fourth Quarter	\$ 16.36	\$ 13.55	\$ 16.11
Third Quarter	14.88	12.98	13.70
Second Quarter	14.44	12.80	12.99
First Quarter	16.57	13.63	13.97
2013			
Fourth Quarter	\$ 17.80	\$ 13.32	\$ 16.61
Third Quarter	15.84	12.47	15.34
Second Quarter	12.96	10.65	12.37
First Quarter	11.54	9.35	11.50

(*)

Historical periods prior to and including December 31, 2013 adjusted for stock dividends

The closing sales price of Fidelity common stock as of October 26, 2015, the date the merger agreement was executed, was \$21.01. The closing sales price of Fidelity common stock as of December 22, 2015, the most recent date feasible for inclusion in these materials, was \$21.32.

There has been no public trading market for AEB common stock. We believe the last sale of AEB common stock among shareholders in a private transaction was on June 30, 2013, at a price of \$3.00 per share, based on unofficial information that AEB management believes is reliable.

TABLE OF CONTENTS

Equivalent AEB Per Share Value

The following table presents the closing price of Fidelity common stock on October 23, 2015, the last trading day before the merger agreement was announced, and December 22, 2015, the most recent date feasible for inclusion in these materials. The table also presents the equivalent value of the merger consideration per share of AEB common stock on those dates.

Date	Fidelity closing sales price	Exchange Ratio	Equivalent AEB per share value(1)
October 23, 2015	\$ 21.09	0.261	\$ 5.50
December 22, 2015	\$ 21.32	0.249	\$ 5.50

(1)

The equivalent value of the per share merger consideration is based on the closing prices of Fidelity common stock of \$21.09 on October 23, 2015 and \$21.32 on December 22, 2015, and, in each case, the applicable exchange ratio, assuming that price was the VWAP. The actual exchange ratio at the closing of the merger will be determined based on the VWAP and there can be no assurance that it will be equal to 0.261. If the VWAP is equal to or greater than \$23.20, then the exchange ratio will be 0.237. If the VWAP is less than \$23.20 but greater than \$18.98, then the exchange ratio will be the quotient of \$5.50 divided by the VWAP. If the VWAP is equal to or less than \$18.98, then the exchange ratio will be 0.290.

There were 166 shareholders of record of AEB common stock as of December 22, 2015.

- Interests of Directors and Officers of AEB and American Enterprise Bank of Florida in the Merger (see page 23)

Some of the directors and officers of AEB have interests in the merger in addition to their interests as shareholders generally, including the following:

- Bennett Brown, President of AEB and American Enterprise Bank of Florida, has entered into an employment agreement with Fidelity whereby Mr. Brown will serve as Fidelity's Jacksonville Area Market President following the merger.

- Bennett Brown was awarded 50,000 shares of AEB common stock on February 21, 2006, but only 10,000 shares were granted. Pursuant to a letter from the AEB board of directors dated June 28, 2012, the remaining 40,000 shares will be granted to Mr. Brown upon the closing of any merger or acquisition of AEB and American Enterprise Bank of Florida.

- At the closing of the merger, various other AEB and American Enterprise Bank of Florida officers will continue employment with Fidelity or Fidelity Bank pursuant to employment agreements.

- Fidelity will provide liability insurance to the present directors and officers of AEB and American Enterprise Bank of Florida for a period of six years following the closing of the merger for actions taken by such directors and officers in such capacity.

- Differences in Legal Rights Between Shareholders of AEB and Fidelity (see page 24)

Following the merger you will no longer be an AEB shareholder and your rights as a shareholder will no longer be governed by AEB's articles of incorporation and bylaws. You will be a Fidelity shareholder, and your rights as a Fidelity shareholder will be governed by Fidelity's amended and restated articles of incorporation, as amended, and bylaws, as amended. Your former rights as an AEB shareholder and your new rights as a Fidelity shareholder are different in certain ways, including the following:

- AEB's board of directors consists of eleven members, while Fidelity's consists of nine members.
- Fidelity's bylaws require the holders of at least twenty-five percent of the outstanding common stock to request a special meeting, while AEB's bylaws only require ten percent.

TABLE OF CONTENTS

- Fidelity has different special procedures in its articles of incorporation requiring supermajority approval of some business transactions.

- Florida's dissenters' rights laws, which AEB is subject to, differ from Georgia's dissenters' rights laws, which govern Fidelity's shareholders.

- Fidelity is subject to filing requirements under the Securities Exchange Act of 1934. AEB is not subject to such requirements.

- Dividends (see page 28)

Fidelity declared aggregate cash dividends of \$0.29 per share of common stock for the nine months ended September 30, 2015 and aggregate cash dividends of \$0.30 per share of common stock for the year ended December 31, 2014. Fidelity intends to continue paying cash dividends, but the amount and frequency of cash dividends, if any, will be determined by Fidelity's board of directors after consideration of certain non-financial and financial factors including earnings, capital requirements, and the financial condition of Fidelity, and will depend on cash dividends paid to it by its subsidiary bank. The ability of Fidelity's subsidiary bank to pay dividends to it is restricted by certain regulatory requirements.

AEB has never declared or paid dividends on shares of its common stock.

TABLE OF CONTENTS**SUMMARY CONSOLIDATED FINANCIAL INFORMATION OF FIDELITY**

We are providing the following information to help you analyze the financial aspects of the merger. The following tables set forth summary historical operations and financial condition data and summary performance, asset quality and other information of Fidelity at and for the periods indicated. You should read this data in conjunction with Fidelity's Consolidated Financial Statements and notes thereto incorporated herein by reference from Fidelity's Annual Report on Form 10-K for the year ended December 31, 2014 and Fidelity's quarterly report on Form 10-Q for the quarter ended September 30, 2015. Financial amounts as of and for the nine months ended September 30, 2015 and 2014 are unaudited and are not necessarily indicative of the results of operations for the full year or any other interim period, and management of Fidelity believes that such amounts reflect all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of its results of operations and financial position as of the dates and for the periods indicated. You should not assume the results of operations for past years and the nine months ended September 30, 2015 and 2014 indicate results for any future period.

	At or for the Nine Months Ended September 30,		Years Ended December 31,				2010
	2015	2014	2014	2013	2012	2011	
(\$ in thousands, except per share data)							
INCOME STATEMENT DATA:							
Interest income	\$ 83,599	\$ 75,034	\$ 101,667	\$ 97,563	\$ 97,570	\$ 93,710	\$ 93,710
Interest expense	10,907	8,208	11,226	13,961	17,078	22,849	30,000
Net interest income	72,692	66,826	90,441	83,602	80,492	70,861	63,710
Provision for loan losses	1,254	(25)	531	5,440	13,420	20,325	10,000
Noninterest income, including securities gains	99,352	70,609	95,320	96,878	87,961	51,429	40,000
Securities gains, net	—	—	—	189	307	1,078	2,000
Noninterest expense	119,849	102,109	138,754	132,325	115,397	85,422	70,000
Net income	32,358	22,823	30,036	27,638	25,327	11,398	10,000
PERFORMANCE:							
Earnings per common share – basic(1)	\$ 1.48	\$ 1.07	\$ 1.41	\$ 1.35	\$ 1.47	\$ 0.60	\$ 0.60
Earnings per common share – diluted(1)	\$ 1.42	\$ 0.97	\$ 1.28	\$ 1.21	\$ 1.32	\$ 0.54	\$ 0.54
Book value per common share(1)	\$ 12.83	\$ 12.10	\$ 12.40	\$ 11.07	\$ 9.57	\$ 8.33	\$ 7.00
Cash dividends paid per common share	\$ 0.29	\$ 0.21	\$ 0.30	\$ 0.05	\$ —	\$ 0.02	\$ —
	1.33%	1.15%	1.11%	1.09%	1.08%	0.55%	0.00%

Edgar Filing: FIDELITY SOUTHERN CORP - Form 424B3

Return on average
assets

Return on average
shareholders'
equity

Net interest margin

15.56%	12.46%	12.07%	12.20%	14.19%	7.43%	7
3.25%	3.67%	3.62%	3.58%	3.74%	3.67%	3

END OF PERIOD
BALANCE
SHEET

SUMMARY:

Total Assets	\$ 3,499,465	\$ 2,861,569	\$ 3,085,135	\$ 2,564,053	\$ 2,476,744	\$ 2,234,199	\$ 1
Earning assets	3,237,110	2,652,462	2,848,618	2,357,273	2,285,460	2,073,969	1
Loans, excluding Loans Held-for-Sale	2,641,814	2,073,803	2,253,306	1,893,037	1,777,031	1,623,871	1
Total loans	2,981,465	2,398,245	2,622,241	2,080,403	2,081,125	1,757,720	1
Total deposits	2,912,038	2,459,291	2,458,022	2,202,452	2,068,011	1,871,516	1
Long term borrowings	120,289	46,297	46,303	56,278	66,981	119,432	1
Shareholders' equity	295,286	258,163	264,951	236,230	192,888	167,280	1

DAILY
AVERAGE
BALANCE
SHEET

SUMMARY:

Total Assets	\$ 3,251,132	\$ 2,646,238	\$ 2,715,657	\$ 2,542,743	\$ 2,344,604	\$ 2,062,903	\$ 1
Earning assets	3,013,603	2,449,236	2,510,247	2,345,492	2,161,438	1,944,385	1
Total loans	2,798,024	1,924,265	2,284,245	2,109,575	1,931,714	1,611,825	1
Total deposits	2,629,670	2,207,149	2,259,825	2,103,465	1,933,473	1,499,451	1
Long-term debt	80,193	48,925	48,264	68,607	85,686	125,209	1
Shareholders' equity	277,993	244,899	248,783	226,457	178,517	153,312	1

10

TABLE OF CONTENTS

	At or for the Nine Months Ended September 30,		Years Ended December 31,				
	2015	2014	2014	2013	2012	2011	2010
	(\$ in thousands, except per share data)						
ASSET QUALITY RATIOS:							
Net charge-offs to average loans	0.10%	0.24%	0.33%	0.38%	0.60%	1.38%	1.44%
Net charge-offs to average loans excluding covered loans	0.06%	0.23%	0.33%	0.39%	0.47%	1.39%	1.44%
Allowance to period-end loans	0.94%	1.36%	1.13%	1.78%	1.92%	1.72%	2.00%
Nonperforming assets to total loans, ORE and repossessions	1.86%	3.08%	2.61%	3.78%	4.56%	5.59%	6.89%
Allowance to nonperforming loans, ORE and repossessions	0.50x	0.44x	0.43x	0.46x	0.41x	0.30x	0.29x
SELECTED RATIOS:							
Loans to total deposits	90.72%	84.33%	91.67%	85.95%	85.93%	86.77%	86.99%
Average total loans to average earning assets	92.85%	78.57%	91.00%	90.00%	89.91%	83.35%	83.34%
Non-Interest Income to Revenue	54.31%	48.48%	48.39%	49.83%	47.41%	35.43%	31.01%
Leverage Ratio	9.44%	10.64%	10.40%	11.02%	10.18%	9.83%	9.36%
Common equity tier 1 Capital	8.82%	N/A	N/A	N/A	N/A	N/A	N/A
Tier 1 Risk-Based Capital	10.25%	11.84%	11.07%	12.71%	12.06%	11.85%	10.87%
Total Risk-Based Capital	13.40%	12.99%	12.01%	13.96%	13.43%	13.70%	13.28%
Average equity to average assets	8.55%	9.25%	9.16%	8.90%	7.61%	7.43%	7.19%

(1)
Historical periods prior to and including December 31, 2013 adjusted for stock dividends

TABLE OF CONTENTS

RISK FACTORS

In addition to the other information, including risk factors, incorporated by reference herein from Fidelity's Annual Report on Form 10-K for the year ended December 31, 2014, you should carefully read and consider the following factors in evaluating the merger.

Because the market price of Fidelity common stock will fluctuate, AEB shareholders cannot be sure of the value of the merger consideration they will receive.

Upon completion of the merger, each share of AEB common stock will be converted into the merger consideration consisting of shares of Fidelity common stock. The market value of the merger consideration received by AEB shareholders who receive all or part of the merger consideration in the form of Fidelity shares will vary with the price of Fidelity's common stock. Fidelity's stock price changes daily as a result of a variety of factors other than the business and relative prospects of Fidelity, including general market and economic conditions, industry trends, and the regulatory environment. These factors are beyond Fidelity's control.

AEB's officers and directors have interests in the merger in addition to or different from your interests as an AEB shareholder.

Some of AEB's executive officers participated in negotiations of the merger agreement with Fidelity, and the board of directors approved the merger agreement and is recommending that AEB shareholders vote for the merger agreement. In considering these facts and the other information contained in these materials, you should be aware that certain of AEB's executive officers and directors have economic interests in the merger in addition to the interests that they share with you as an AEB shareholder. These interests include the employment of several officers of AEB by Fidelity following completion of the merger. See "Details of the Proposed Merger — Interests of the Directors and Officers of AEB and American Enterprise Bank of Florida in the Merger" on page 23.

Fidelity may be unable to successfully integrate AEB's operations and retain its key employees.

The merger involves the integration of two companies that previously operated independently. The difficulties of combining the companies' operations include integrating personnel, departments, systems, operating procedures and information technologies and retaining key employees. Failures in integrating operations or the loss of key personnel could have a material adverse effect on the business and results of operations of the combined company.

Regulatory approvals may not be received, may take longer than expected or may impose conditions that are not presently anticipated or cannot be met.

Before the transactions contemplated by the merger agreement, including the merger and the bank merger, may be completed, various approvals must be obtained from bank regulatory authorities. These governmental entities may impose conditions on the granting of such approvals. Such conditions or changes and the process of obtaining regulatory approvals could have the effect of delaying completion of the merger or of imposing additional costs or limitations on Fidelity following the merger. The regulatory approvals may not be received at all, may not be received in a timely fashion, and may contain conditions on the completion of the merger that are not anticipated or cannot be met. If the consummation of the merger is delayed, including by a delay in receipt of necessary governmental approvals, the business, financial condition and results of operations of each company may also be materially adversely affected.

If the merger is not completed, Fidelity common stock and AEB common stock could be materially adversely affected.

The merger is subject to customary conditions to closing, including the approval of the AEB shareholders. In addition, Fidelity and AEB may terminate the merger agreement under certain circumstances. If Fidelity and AEB do not complete the merger, the market price of Fidelity common stock or AEB common stock may fluctuate to the extent that the current market prices of those shares reflect a market assumption that the merger will be completed. Further, whether or not the merger is completed, Fidelity and AEB will also be obligated to pay certain investment banking, legal and accounting fees and

TABLE OF CONTENTS

related expenses in connection with the merger, which could negatively impact results of operations when incurred. In addition, neither company would realize any of the expected benefits of having completed the merger. If the merger is not completed, Fidelity and AEB cannot assure their respective shareholders that additional risks will not materialize or not materially adversely affect the business, results of operations and stock prices of Fidelity and AEB.

The termination fee contained in the merger agreement may discourage other companies from trying to acquire AEB. AEB has agreed to pay a termination fee of \$1 million to Fidelity if, under certain circumstances, the merger agreement is terminated and, at the time of termination, a competing offer is outstanding or such offer has been accepted by AEB. This fee could discourage other companies from trying to acquire AEB.

AEB shareholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management.

AEB shareholders currently have the right to vote in the election of the AEB board of directors and on other matters affecting AEB. Upon the completion of the merger, each AEB shareholder will be a shareholder of Fidelity with a percentage ownership of Fidelity that is much smaller than such shareholder's current percentage ownership of AEB. In addition, under the merger agreement, none of the AEB directors or executive officers will become a director of Fidelity following the merger. It is currently expected that the former shareholders of AEB and the former subordinated debenture holders of AEB (assuming all such holders elect to convert their debentures) as a group will receive shares in the merger constituting approximately 5.3% of the outstanding shares of Fidelity's common stock immediately after the merger. Accordingly, former AEB shareholders will own significantly less than a majority of the outstanding voting stock of the combined company and could, as a result, be outvoted by current Fidelity shareholders if such current Fidelity shareholders voted together as a group. Consequently, AEB shareholders will have significantly less influence on the management and policies of Fidelity than they now have on the management and policies of AEB.

The market price of Fidelity common stock after the merger may be affected by factors different from those affecting the shares of AEB or Fidelity currently.

The businesses and current markets of Fidelity and AEB differ and, accordingly, the results of operations of the combined company and the market price of the combined company's shares of common stock may be affected by factors different from those currently affecting the independent results of operations of either Fidelity or AEB. For a discussion of the business of Fidelity and of certain factors to consider in connection with its business, see the documents incorporated by reference into this document and referred to under "Where You Can Find More Information." For a discussion of the business of AEB and of certain factors to consider in connection with its business, see "Information About American Enterprise Bankshares, Inc." beginning on page 46.

The opinion obtained by AEB from Hovde will not reflect changes in circumstances between signing the merger agreement and the closing of the merger.

Hovde rendered an opinion to AEB, dated October 26, 2015, to address the fairness of the merger consideration from a financial point of view as of that date. Subsequent changes in the operations and prospects of Fidelity or AEB, general market and economic conditions and other factors that may be beyond the control of Fidelity and AEB, and on which the Hovde opinion was based, may significantly alter the value of Fidelity or AEB or the prices of shares of Fidelity common stock by the time the merger is completed. The opinion does not speak as of the time the merger will be completed or as of any date other than the date of such opinion. Because Fidelity currently does not anticipate asking Hovde to update its opinion, the opinion will not address the fairness of the common stock merger consideration, from a financial point of view, at the time the merger is completed. For a description of the opinion that AEB received from Hovde, see "Opinion of AEB's Financial Advisor" beginning on page 34. For a description of the other factors considered by the AEB board of directors in determining to approve the merger, see "Recommendation of AEB's Board of Directors and Reasons for the Merger" beginning on page 16.

TABLE OF CONTENTS

Changes in laws and regulations or failures to comply with such laws and regulations may adversely affect our financial condition and results of operations.

We and our subsidiary bank are heavily regulated by federal and state authorities. This regulation is designed primarily to protect depositors, federal deposit insurance funds and the banking system as a whole, but not shareholders. Congress and state legislatures and federal and state regulatory authorities continually review banking laws, regulations and policies for possible changes. Changes to statutes, regulations or regulatory policies, including interpretation and implementation of statutes, regulations or policies could affect us in substantial and unpredictable ways, including limiting the types of financial services and products we may offer or increasing the ability of non-banks to offer competing financial services and products. Any regulatory changes or scrutiny could increase or decrease the cost of doing business, limit or expand our permissible activities, or affect the competitive balance among banks, credit unions, savings and loan associations and other institutions. We cannot predict whether new legislation will be enacted and, if enacted, the effect that it, or any regulations, would have on our business, financial condition, or results of operations.

Federal and state regulators have the ability to impose or request that we consent to substantial sanctions, restrictions and requirements on our banking and nonbanking subsidiaries if they determine, upon examination or otherwise, violations of laws, rules or regulations with which we or our subsidiaries must comply, or weaknesses or failures with respect to general standards of safety and soundness. Such enforcement may be formal or informal and can include directors' resolutions, memoranda of understanding, cease and desist or consent orders, civil money penalties and termination of deposit insurance and bank closures. Enforcement actions may be taken regardless of the capital level of the institution. Enforcement actions may require certain corrective steps (including staff additions or changes), impose limits on activities (such as lending, deposit taking, acquisitions or branching), prescribe lending parameters (such as loan types, volumes and terms) and require additional capital to be raised, any of which could adversely affect our financial condition and results of operations. Enforcement actions, including the imposition of monetary penalties, may have a material impact on our financial condition or results of operations, and damage to our reputation, and loss of our holding company status. In addition, compliance with any such action could distract management's attention from our operations, cause us to incur significant expenses, restrict us from engaging in potentially profitable activities, and limit our ability to raise capital.

14

TABLE OF CONTENTS

DETAILS OF THE PROPOSED MERGER

Background of the Merger

As a part of its ongoing consideration and evaluation of its long-term prospects and strategies, on March 31, 2011, AEB's board of directors appointed a committee of independent directors to consider any potential merger or acquisition opportunities (the "Special Board Committee"). In addition, senior management has regularly reviewed and assessed AEB's business strategies and objectives with the Special Board Committee, including strategic opportunities and challenges, and has considered various strategic options potentially available, all with the goal of enhancing value for AEB's shareholders. The strategic discussions have focused on, among other things, the business environment facing financial institutions in general and AEB, in particular, as well as current conditions and ongoing consolidation in the financial services industry.

On March 31, 2015, Bennett Brown, President of AEB, and Ed Stinson, Chief Financial Officer of AEB, met with a representative from Hovde Group, LLC to discuss the Florida M&A landscape, valuation, buyer audience, and other items for consideration.

On April 15, 2015, Mr. Brown invited a Hovde representative to a meeting of the Special Board Committee to present an updated version of the presentation presented to Mr. Brown and Mr. Stinson at the March 31, 2015 meeting.

On April 28, 2015, at the regularly scheduled meeting of the AEB board of directors, the Special Board Committee reported on the April 15, 2015 meeting with the Hovde representative. The Special Board Committee recommended that Hovde be engaged to represent the Bank at the appropriate time.

On May 26, 2015, at the regularly scheduled meeting of the AEB board of directors, Mr. Brown advised the board of directors that there were at least two banks considering a loan request by AEB to enable AEB to redeem its subordinated debentures, a transaction which Hovde had advised would make it easier to negotiate a potential merger.

On June 23, 2015, at the regularly scheduled meeting of the AEB board of directors, Mr. Brown advised the board of directors that it did not appear that a loan could be secured for the purpose of redeeming its subordinated debentures. The board anticipated that AEB would not be able to make the interest payments due on these debentures on March 31, 2016 without raising additional capital. Given the time constraints imposed by this impending payment, he and the Special Board Committee recommended that Hovde be engaged to represent AEB. At this meeting, the board of directors authorized Mr. Brown to execute the engagement agreement with Hovde on behalf of AEB. On June 25, 2015, Mr. Brown executed the agreement to engage Hovde as the exclusive financial advisor to AEB.

In July 2015, Hovde contacted a number of financial institutions to assess their interest in a potential acquisition of AEB. As a part of that process, AEB created a data room with initial due diligence information, and non-disclosure agreements were signed with three parties, including Fidelity.

On August 10, 2015, initial indications of interest were submitted by two financial institutions. Fidelity's proposal was much higher than the other at \$5.35 per share. The two interested financial institutions delivered non-binding letters of intent to Hovde.

On August 19, 2015, at a special meeting of the AEB board of directors, the Hovde representative presented an analysis of the two letters of intent which had been received for a possible acquisition of AEB. At the meeting the board authorized Hovde to seek to reach terms of a non-binding letter of intent with Fidelity which could be signed prior to the next board meeting. On August 23, 2015, Fidelity agreed to increase their offer from \$5.35 per share to \$5.50 per share and the non-binding letter of intent was executed.

On August 25, 2015, at the regularly scheduled meeting of the AEB board of directors, Mr. Stinson reported that letter of intent was signed and the Bank was awaiting the due diligence request list. With respect to the reverse due diligence on Fidelity, Saltmarsh, Cleaveland & Gund, CPAs, outside accountants

TABLE OF CONTENTS

to AEB, (“Saltmarsh”) had been selected by the Special Board Committee to perform a limited review and report to the board at a future meeting. Mr. Brown reported that several members of senior management planned to visit Atlanta in conjunction with Saltmarsh to conduct further due diligence.

In late August and through most of September 2015, Fidelity conducted a formal due diligence review of AEB and confirmed its offer of \$5.50 per share payable in shares of Fidelity common stock. On September 21 and 22, five members of AEB’s senior management, along with AEB’s head of human resources, visited Fidelity’s offices in Atlanta to conduct due diligence. On September 29, 2015, at the regularly scheduled meeting of the AEB board of directors, Mr. Brown reported on the due diligence and reverse due diligence progress. The senior officers that visited Fidelity in Atlanta reported on their meetings with the Fidelity senior management and results of the due diligence related to their areas.

During the first three weeks of October, legal counsel for Fidelity and AEB, as well as the financial advisors and senior officers of each company, negotiated and finalized the definitive agreement and related agreements.

On October 26, 2015, at a regularly scheduled board meeting, the AEB board of directors met to review and consider the merger agreement and related agreements. Legal counsel for AEB, a representative from Saltmarsh, and a representative from Hovde participated in the meeting. The representative from Saltmarsh presented the results of their reverse due diligence and the senior officers that participated in the visit to Atlanta reported on the due diligence in their particular areas. AEB legal counsel reviewed for the directors their fiduciary duties and responsibilities, and also reviewed the terms and conditions of the merger agreement and related agreements. The merger agreement and all related agreements and documents had been previously distributed to the directors in advance of the meeting. Representatives from Hovde provided the board with a presentation of Hovde’s analysis of the fairness of the merger consideration to AEB shareholders from a financial point of view. The representatives announced that Hovde was issuing its written opinion to the AEB board to the effect that the merger consideration in connection with the merger was fair to the shareholders of AEB from a financial point of view.

The AEB board of directors discussed, among other things, the proposal relative to the estimated stand-alone prospects for AEB capital stock and determined that the proposal was in the best interests of AEB shareholders. As a result, and after taking into account, among other things, the factors described under the heading “— Recommendation of AEB’s Board of Directors and Reasons for the Merger”, the AEB board of directors unanimously approved the merger agreement.

AEB and Fidelity signed the merger agreement and the transaction was announced in a press release issued on October 26, 2015.

Recommendation of AEB’s Board of Directors and Reasons for the Merger

AEB’s board of directors believes that the merger is in the best interests of AEB and its shareholders. Accordingly, AEB’s board of directors has approved and executed the merger agreement and recommends that AEB voting shareholders vote “FOR” the approval of the merger.

In reaching its decision to recommend the merger, AEB’s Board of Directors consulted with AEB’s outside legal counsel and AEB’s financial advisor regarding the merger and considered a variety of factors, including the following:

- the AEB board of directors’ familiarity with and review of AEB’s business, financial condition, results of operations and prospects, including, but not limited to, its business plan and its potential for growth, development, productivity and profitability;

- the current and prospective environment in which AEB operates, including national and local economic conditions (including net interest margin pressures), the competitive environment for financial institutions generally, the increased regulatory burden on financial institutions generally, and the trend toward consolidation in the financial services industry;

- AEB’s belief that AEB needs to grow to be in a position to deliver a competitive return to its shareholders and such growth would require, among other things, the raising of capital;

TABLE OF CONTENTS

- the AEB board of directors' review, with the assistance of AEB's legal and financial advisors, of strategic alternatives to the merger, including a potential "merger of equals," a potential equity raise, the discussions with Fidelity and other bidders, and the possibility of remaining independent;

- the likelihood that acquisition opportunities for AEB as a buyer are limited without raising additional capital, and the ability to do so and the price at which such shares would be sold are uncertain;

- the AEB board of directors' review, based in part on presentations by AEB's management and advisors and on the due diligence performed in connection with the transaction, of Fidelity's business, financial condition, results of operations and management; the recent performance of Fidelity's common stock on both a historical and prospective basis; the strategic fit between the parties; the potential synergies expected from the merger; and the business risks associated with the merger;

- the expectation that the merger will provide holders of AEB stock with the opportunity to receive a publicly traded stock with liquidity and that the exchange of Fidelity shares for AEB shares will be tax-free for federal income tax purposes;

- the expected pro forma financial impact of the transaction, taking into account anticipated cost savings and other factors, on both AEB shareholders and Fidelity shareholders, including that the transaction is expected to be accretive to the earnings per share of both Fidelity and AEB.

The foregoing discussion of the information and factors considered by the board of AEB is not intended to be exhaustive, but includes the material factors considered. In view of the variety of factors considered in connection with its evaluation of the transaction and the exchange ratio, the board of directors of AEB did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determinations and recommendations, and individual directors may have given differing weights to different factors. Each member of the board of directors of AEB has indicated that he intends to vote his shares of AEB common stock in favor of the merger.

THE BOARD OF DIRECTORS OF AEB UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS OF AEB VOTE "FOR" THE PROPOSAL TO APPROVE THE MERGER AGREEMENT.

If the merger is approved and consummated, unless adjusted pursuant to the terms of the Agreement and Plan of Merger, holders of AEB common stock will be entitled to receive shares of Fidelity common stock based upon the VWAP, subject to minimum and maximum exchange ratios as follows:

- If the VWAP immediately prior to the merger is equal to or greater than \$23.20, then each share of AEB common stock will be converted into 0.237 shares of Fidelity common stock;

- If the VWAP immediately prior to the merger is less than \$23.20, but greater than \$18.98, then each share of AEB common stock will be converted into \$5.50 payable in shares of Fidelity common stock (with the exchange ratio equal to \$5.50 divided by the VWAP); and

- If the VWAP immediately prior to the merger is equal to or less than \$18.98, then each share of AEB common stock will be converted into 0.290 shares of Fidelity common stock.

Fidelity will not issue fractional shares in the merger. Instead, you will receive a cash payment, without interest, for the value of any fraction of a share of Fidelity common stock that you would otherwise be entitled to receive in an amount equal to such fraction multiplied by the VWAP.

AEB has \$6,000,000 in outstanding subordinated debentures. Holders of AEB's debentures currently have the right to convert their debentures into AEB common stock. The conversion price is derived by dividing 75% of the book value of shareholders' equity in AEB by the number of shares of common stock outstanding, with the book value and number of shares outstanding being calculated as of the end of the calendar quarter next preceding the conversion date. Prior to the consummation of the merger, AEB will

17

TABLE OF CONTENTS

issue a notice to its subordinated debenture holders advising them of the merger transaction and providing them with notice of their option to convert the debentures. Debenture holders that elect to convert their debentures into AEB common stock prior to the consummation of the merger will receive merger consideration for their shares of AEB common stock upon consummation.

For example, assuming a conversion date of October 26, 2015, the date the merger agreement was executed, and further assuming that all AEB debenture holders had elected to convert their debentures as of such date, then the conversion price would have been \$3.28 per share of AEB common stock based on shareholders' equity in AEB of \$13,353,464.29 and 3,055,223 shares of AEB common stock outstanding as of September 30, 2015.

Merger Consideration Adjustment and Termination Rights

Because a portion of the merger consideration includes Fidelity common stock payable at an exchange ratio for AEB common stock and the market value of the Fidelity common stock changes daily, the total value of the merger consideration will fluctuate. Neither Fidelity nor AEB can give you any assurance as to the price of Fidelity common stock or the value of the merger consideration when the merger becomes effective or when Fidelity's shares are delivered to you. As an illustration, assuming the merger had been completed on October 26, 2015, the date the merger agreement was executed, the aggregate merger consideration payable (assuming the conversion of all outstanding subordinated debentures) would have been \$27,623,700.50 based on a VWAP of \$20.59. However, assuming the merger had been completed on December 22, 2015, the most recent date available before these materials were mailed, the aggregate merger consideration payable (assuming the conversion of all outstanding subordinated debentures) would have been \$27,623,700.50 based on a VWAP of \$22.11.

Under the merger agreement, AEB may terminate the merger agreement if, at any time during the five-day period commencing with the fifth trading day immediately preceding the effective date of the merger (we refer to such five-day period as the "determination date"), both of the following conditions are satisfied:

- the number obtained by dividing the average of the daily closing prices for the shares of Fidelity common stock for the twenty consecutive full trading days on which such shares are actually traded on the Nasdaq Global Select Market (as reported by the Wall Street Journal ending on the determination date) (the "average closing price") by the lesser of (i) \$21.09 and (ii) the closing price of a share of Fidelity common stock on the Nasdaq Global Select Market on October 23, 2015 (the "Fidelity Ratio") is less than 0.85; and
- the Fidelity Ratio is less than 0.85 of the number obtained by dividing (i) the average of the closing price of the Nasdaq Bank Index for the twenty consecutive full trading days ending on the trading day prior to the determination date by (ii) the closing price of the Nasdaq Bank Index on October 23, 2015 (the "index ratio").

In the event the two conditions above are satisfied, AEB may elect to terminate the merger agreement by providing written notice of such termination to Fidelity. During the five-day period beginning with receipt of such notice from AEB, Fidelity has the option to increase the consideration to be received by the AEB shareholders by increasing the exchange ratio and/or making a cash payment so that the value of the per share purchase price to be received by each AEB shareholder equals the lesser of:

- the product of (i) \$21.09, (ii) 0.85 and (iii) the exchange ratio; and
- an amount equal to (i) the product of (1) the index ratio, (2) 0.85, (3) the exchange ratio and (4) the average closing price, (ii) divided by the Fidelity Ratio.

Even if the first two conditions described above are met, the AEB board of directors may elect not to terminate the merger agreement. Any decision to terminate the merger agreement will be made by the AEB board of directors in light of all of the circumstances existing at the time. Prior to making any decision to terminate the merger agreement, the AEB board of directors would consult with its financial and other advisors and would consider all financial and

other information it deemed relevant to its decision, including whether the then current consideration to be received in the merger would deliver more value to AEB shareholders than the value that could be expected in the event AEB were to continue as an independent

18

TABLE OF CONTENTS

company (which would occur if the AEB board of directors were to elect to abandon the merger and Fidelity determined not to increase the exchange ratio). In addition, the AEB board of directors would consider whether, in light of market and other industry conditions at the time of such decision, the merger consideration continued to be fair from a financial point of view to AEB's shareholders.

If each of the first two conditions set forth above were satisfied and the AEB board of directors elected to terminate the merger agreement, Fidelity would have the option of increasing the consideration payable to AEB shareholders by increasing the exchange ratio and/or making a cash payment in the amount set forth above (in addition to, and not in lieu of, issuing shares of Fidelity common stock). Fidelity is under no obligation to increase the exchange ratio or to make any such cash payment, and there can be no assurance that Fidelity would elect to increase the exchange ratio or make any such cash payment to prevent the termination of the merger agreement. Any decision would be made by Fidelity in light of the circumstances existing at the time. If Fidelity elected to increase the exchange ratio or to make such cash payment as described above, then AEB could not terminate the merger agreement as a result of the above-described circumstances.

For example, assume that Fidelity's average closing price during the determination period was \$15.82, representing a 25% decrease from \$21.09, and that the average daily current market price of the Nasdaq Bank Index during the determination period was 2,800.00. In that case, AEB would then have the right to terminate the merger agreement because both (i) the Fidelity Ratio is less than 0.85, and (ii) the subtraction of 0.15 from the quotient of 2,800.00 divided by 2,878.74 is greater than the Fidelity Ratio.

However, in this example, Fidelity could prevent the merger agreement from terminating by electing to either increase the exchange ratio to 0.3185 or by making a cash payment (in addition to, and not in lieu of, issuing shares of Fidelity common stock) of \$0.45 per share of AEB common stock.

This summary highlights selected information regarding the merger consideration adjustment and termination provisions in the merger agreement. For a more complete description of these terms, you should carefully read the Agreement and Plan of Merger included in Appendix A to these materials. In addition, we urge you to obtain current information on the market value of Fidelity shares. See "Summary — Markets for Common Stock" on page 7.

The Merger Agreement

The material features of the merger agreement are summarized below:

Effective Date

The merger agreement provides that the merger will be effective upon the approval of the Agreement and Plan of Merger by the shareholders of AEB and the filing of the Certificate of Merger reflecting the merger with the Secretary of State of the State of Georgia.

The merger and the bank merger must be approved by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and the Department of Banking and Finance of the State of Georgia.

Management of Fidelity and AEB anticipate that the merger will become effective during the first quarter of 2016.

Terms of the Merger

If AEB shareholders approve the merger and subject to required regulatory approvals, AEB will be merged with and into Fidelity. In connection with the merger, AEB shareholders will receive Fidelity common stock in exchange for their AEB common stock, subject to adjustment and proration as previously described. Fidelity shareholders will continue to hold their existing Fidelity common stock.

If, prior to the merger closing, the outstanding shares of Fidelity common stock or AEB common stock are increased through a stock dividend, stock split, subdivision, recapitalization, or reclassification of shares, or are combined into a lesser number of shares by reclassification, reverse stock split, recapitalization, reduction of capital or other transaction, the number of shares of Fidelity common stock to be delivered pursuant to the merger in exchange for a share of AEB common stock will be proportionately adjusted.

TABLE OF CONTENTS

If the merger is completed, AEB will be merged with and into Fidelity. Following the merger, the articles of incorporation, bylaws, corporate identity, and existence of Fidelity will not be changed, and AEB will cease to exist as a separate entity. Following the merger, AEB's bank subsidiary, American Enterprise Bank of Florida, will be merged with and into Fidelity Bank, Atlanta, Georgia, a wholly-owned Georgia bank subsidiary of Fidelity, and Fidelity Bank will be the surviving bank.

Registration of Fidelity Common Stock

As a condition to the merger, Fidelity agreed to register with the SEC the shares of Fidelity common stock to be exchanged for shares of AEB common stock and to maintain the effectiveness of such registration through the issuance of such shares in connection with the closing of the merger. However, such registration will not cover resales of Fidelity common stock by any former holders of AEB common stock, and Fidelity is under no obligation to maintain the effectiveness of such registration, or to prepare and file any post-effective amendments to such registration, after the issuance of such shares in connection with the closing of the merger.

AEB Option Holders

Fidelity has agreed to pay the holder of each AEB option an amount in cash, without interest, equal to the difference between (i) the exercise price per share of AEB common stock issuable pursuant to such AEB option and (ii) an amount as determined by multiplying the exchange ratio by the VWAP. If such amount is a negative number, the AEB option will be terminated without any payment for such AEB option.

Termination and Conditions of Closing

The merger agreement may be terminated at any time either before or after approval of the merger agreement by the shareholders of AEB, but not later than the effective date of the merger:

- (1)
by Fidelity, if a material adverse effect (as defined in the merger agreement) has occurred, or if AEB has suffered a material loss or damage to any of its properties or assets, which change, loss or damage materially affects or impairs its ability to conduct its business;
- (2)
by AEB, if a material adverse change in the business, operations or financial condition of Fidelity on a consolidated basis shall have occurred, which change would reasonably be expected to have a material adverse effect on the market price of Fidelity's common stock or would materially affect or impair its ability to conduct its business;
- (3)
by either party, if the other party has not substantially complied with, or substantially performed, the terms, covenants or conditions of the merger agreement, and such non-compliance has not otherwise been waived;
- (4)
by either party, in the event of a material breach by the other party of any covenant, agreement or obligation contained in the merger agreement which breach has not been cured within twenty days after the giving of written notice of the breach or, if such breach is not capable of being cured within twenty days, the breaching party has not begun to cure such breach within twenty days after such written notice;
- (5)
by Fidelity, if it learns of any facts or conditions not disclosed by AEB in the merger agreement, the disclosure memorandum or its financial statements, which facts or conditions were required to be disclosed, and which materially and adversely affects such business, properties, assets, or earnings or the ownership, value or continuance thereof;
- (6)
by either party, if required regulatory approval has been denied by the relevant governmental entity or any governmental entity of competent jurisdiction has issued a final, nonappealable injunction permanently enjoining or otherwise prohibiting the consummation of the transactions contemplated by the merger agreement;

- (7)
by either party, if the merger has not occurred on or before April 30, 2016;
- (8)
by Fidelity, if the holders of more than 10% of the outstanding shares of AEB common stock elect to exercise statutory dissenters' rights;

20

TABLE OF CONTENTS

(9)

by either party, if the AEB shareholders do not approve the merger agreement; or

(10)

by AEB, as described in “— Merger Consideration Adjustment and Termination Rights” on page 18.

AEB must pay to Fidelity a termination fee of \$1 million, if, while a competing offer for the acquisition of AEB by a party other than Fidelity is outstanding or after such an offer has been accepted by AEB:

- either party terminates the agreement because the AEB shareholders did not approve the merger;

- AEB terminates the agreement other than pursuant to either (2)–(4) listed above; or

- Fidelity terminates the agreement.

The following summarizes the required conditions of closing:

- the accuracy of the representations and warranties of all parties contained in the merger agreement and related documents as of the date when made and the effective date;
- the performance of all agreements and the satisfaction of all conditions required by the merger agreement;
- the delivery of officers’ certificates, secretary’s certificates, and legal opinions to AEB and Fidelity by the other;
- the execution of an agreement by each director of AEB, pursuant to which each of them agrees: (i) to recommend, subject to any applicable fiduciary duty, to AEB shareholders approval of the merger; (ii) to vote the capital stock of AEB owned or controlled by them in favor of the merger; and (iii) to not compete with Fidelity for a period of one year after the closing date of the merger;
- approval of the merger by at least a majority of the shares of AEB common stock held by AEB shareholders;
- approvals of governmental authorities, and the expiration of any regulatory waiting periods;
- effectiveness of the registration statement of Fidelity relating to the shares of Fidelity common stock to be issued to AEB shareholders in the merger, of which this document forms a part;
- the receipt by Fidelity of a legal opinion from Troutman Sanders LLP to the effect that the merger will be treated as a “reorganization” described in Section 368(a) of the Internal Revenue Code of 1986, as amended;
-

the receipt by AEB of a legal opinion from Smith, Gambrell & Russell, LLP to the effect that the merger will be treated as a “reorganization” described in Section 368(a) of the Internal Revenue Code of 1986, as amended;

•

the receipt by Fidelity of a letter from Saltmarsh, Cleaveland & Gund with respect to AEB’s unaudited financial statements from December 31, 2014 through the date of the most recent monthly financial statements available in the ordinary course of business; and

•

the termination of that certain Memorandum of Understanding dated December 19, 2013 between the Federal Deposit Insurance Corporation and American Enterprise Bank of Florida.

Surrender of Certificates

After the effective date of the merger, each holder of AEB common stock (as of that date) will be required to deliver the certificates representing such holder’s shares of AEB common stock to Fidelity’s exchange agent, Computershare, in order to receive payment of the consideration from Fidelity in connection with the merger.

21

TABLE OF CONTENTS

After delivering shares of AEB common stock, assuming there has been no adjustment to the merger consideration, the holder will receive, per share of AEB common stock that such holder owned on the effective date of the merger, an amount of shares of Fidelity common stock based on the exchange ratio. In lieu of a fractional share, a cash payment, without interest, will be paid for any fractional interest in Fidelity common stock.

Until a holder delivers AEB common stock to Computershare, the holder may not receive payment of any dividends or other distributions on shares of Fidelity common stock into which his, her, or its shares of AEB common stock have been converted, if any, and may not receive any notices sent by Fidelity to its shareholders with respect to those shares.

Required Shareholder Approval

The holders of a majority of the outstanding shares of AEB common stock entitled to vote at the special meeting must approve the merger agreement for the merger to be completed. Abstentions from voting and broker non-votes will be included in determining whether a quorum is present and will have the effect of a vote against the merger agreement.

As of December 23, 2015, the record date for determining the shareholders entitled to notice of and to vote at the special meeting, the outstanding voting securities of AEB consisted of 3,055,223 shares of common stock, with each registered holder of AEB common stock being entitled to one vote per share. All of the directors of AEB have agreed to vote their shares in favor of the merger. Further, under the merger agreement, AEB will use its best efforts to obtain agreements from all 5% shareholders of AEB under which such shareholders will agree to vote their shares in favor of the merger. The form of such agreement entered into by directors, and to be entered into by 5% shareholders, is attached as Exhibit B to the merger agreement, which is included as Appendix A to these materials. As of the record date, AEB's directors and 5% shareholders owned 1,360,457 shares, or 45%, of AEB common stock (excluding options and convertible debentures).

Expenses

All expenses incurred by Fidelity in connection with the merger, including all fees and expenses of its agents, representatives, counsel and accountants and the fees and expenses related to filing these materials and all regulatory applications with state and federal authorities will be paid by Fidelity. All expenses incurred by AEB in connection with the merger agreement, including all fees and expenses of its agents, representatives, counsel and accountants will be paid by AEB.

Conduct of Business of AEB Pending Closing

The merger agreement provides that, pending consummation of the merger, AEB will, except with the written consent of Fidelity:

- conduct its business in the ordinary course, without the creation of any indebtedness for borrowed money other than deposits and ordinary and customary accounts and credit arrangements;
- maintain its properties and assets in good operating condition, ordinary wear and tear excepted;
- maintain and keep in full force and effect all required insurance;
- preserve its capital structure and make no change in its authorized or issued capital stock or other securities, and grant no right or option to purchase or otherwise acquire any of its capital stock or securities;
- not pay or declare cash dividends, distributions or payments with respect to AEB's common stock;
- not redeem, purchase or otherwise acquire, directly or indirectly, any of its capital stock;

- make no amendment to its articles of incorporation or bylaws, and preserve its corporate existence and powers;
- acquire no business, corporation, partnership, association or other entity or division thereof, and no assets which are material, in the aggregate, to it;

TABLE OF CONTENTS

- not sell, mortgage, lease, buy or otherwise acquire, transfer or dispose of any real property or interest therein, or any tangible or intangible asset (other than in the ordinary course of business);

- make any loan or extension of credit in an amount in excess of \$500,000 (excluding any loan or extension of credit of a smaller amount on an outstanding loan or line of credit in excess of \$500,000), or renew or amend any existing loan or extension of credit that is characterized as “Special Mention”, “Substandard”, “Doubtful” or “Loss” in the books and records of AEB; provided, however, that AEB may make a loan or extension of credit in an amount in excess of \$500,000 in the event Fidelity shall not have disapproved of such request in writing within five business days upon receipt of such request from AEB;

- make no change in its banking and safe deposit arrangements;

- not enter into, renew or cancel any material contracts;

- maintain all books and records in the usual, regular and ordinary course;

- not prepare or file any tax return inconsistent with past practice, or on any tax return, take any position, make any election, or adopt any method inconsistent with positions taken, elections made or methods used in preparing or filing similar tax returns in prior periods; make or change any express or deemed election related to taxes; change an annual accounting period; adopt or change any method of accounting, file an amended tax return; surrender any right to claim a refund of taxes; enter into any closing agreements with respect to tax; or consent to any extension or waiver of the limitation period applicable to any tax proceedings relating to AEB or American Enterprise Bank of Florida;

- promptly advise Fidelity orally and in writing of any change or event having, or which could reasonably be expected to have, a material adverse effect (as defined in the merger agreement);

- file all reports required to be filed with any regulatory or governmental agencies, and deliver copies of such reports to Fidelity promptly after they are filed; and

- not adopt any new benefit plans or programs or amend any existing benefit plans or programs, the effect of which is to increase benefits to employees, directors, officers or independent contractors or their descendants or beneficiaries or the liabilities of AEB or its successors, and not grant or institute any new severance pay, termination pay, retention pay or transaction or deal bonus or arrangement or other benefit plan.

Interests of the Directors and Officers of AEB and American Enterprise Bank of Florida in the Merger
Except as set forth below, no director or officer of AEB, or any of their associates, has any direct or indirect material interest in the merger other than owning shares of AEB common stock which will be converted in the merger into Fidelity common stock and cash. Fidelity and AEB do not anticipate that the merger will result in any material change in compensation to employees of AEB.

Bennett Brown, President of AEB and American Enterprise Bank of Florida, has entered into an employment agreement with Fidelity whereby Mr. Brown will serve as Fidelity’s Jacksonville Area Market President. At the

closing of the merger, various other AEB and American Enterprise Bank of Florida officers will continue employment with Fidelity or Fidelity Bank pursuant to employment agreements.

Bennett Brown was awarded 50,000 shares of AEB common stock on February 21, 2006, but only 10,000 shares were granted. Pursuant to a letter from the AEB board of directors dated June 28, 2012, the remaining 40,000 shares are to be granted to Mr. Brown upon the closing of any merger or acquisition of AEB and American Enterprise Bank of Florida.

Fidelity will provide liability insurance to the present directors and officers of AEB and American Enterprise Bank of Florida for a period of six years following the closing of the merger for actions taken by such directors and officers in such capacity.

23

TABLE OF CONTENTS

Fidelity has agreed to provide to officers and employees of AEB and American Enterprise Bank of Florida who continue employment with Fidelity or its subsidiaries employee benefits under employee benefit plans, on terms and conditions substantially similar to those currently provided to similarly situated Fidelity officers and employees.

Differences in Legal Rights Between Shareholders of AEB and Fidelity

Following the merger you will no longer be an AEB shareholder and, if you receive shares of Fidelity following the merger, your rights as a shareholder will no longer be governed by AEB’s articles of incorporation and bylaws. You will be a Fidelity shareholder and your rights as a Fidelity shareholder will be governed by Fidelity’s articles of incorporation and bylaws. Your former rights as an AEB shareholder and your new rights as a Fidelity shareholder are different in certain ways, including the following:

	AEB Shareholder Rights	Fidelity Shareholder Rights
Authorized, Issued and Outstanding Capital Stock	AEB is authorized to issue 20,000,000 shares of common stock, \$3.00 par value per share. As of November 30, 2015, there were 3,055,223 shares of common stock outstanding (excluding shares issuable upon the exercise of stock options).	Fidelity is authorized to issue 50,000,000 shares of common stock, no par value per share, and up to 10,000,000 shares of preferred stock, no par value per share. Fidelity has authorized 48,200 shares of Series A preferred stock and 1,000 shares of Series B preferred stock. As of November 30, 2015, there were 23,105,492 shares of common stock outstanding, no shares of Series A preferred stock outstanding and no shares of Series B preferred stock outstanding.
Number of Directors	The articles of incorporation of AEB provide that the shareholders and the board of directors have the power to set the number of directors from time to time at no less than one director. The AEB board of directors currently consists of eleven directors.	The bylaws of Fidelity state that the board of directors shall consist of not less than three or more than twenty-four persons of eighteen years of age or over, except that if all of the shares of Fidelity are owned beneficially by less than three shareholders, the number of directors may be less than three. The Fidelity board of directors currently consists of nine directors.
Filling Vacancies on the Board	Any vacancy occurring on the board may be filled by the affirmative vote of a majority of the remaining directors and shall hold office until the next election of directors by the shareholders.	A vacancy occurring in the board of directors by reason of removal of a director by the shareholders shall be filled by the shareholders, or, if authorized by the shareholders, by the remaining directors. Any other vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the board of directors. A director elected to fill a vacancy shall serve for the unexpired term of his predecessor in office.

TABLE OF CONTENTS

	AEB Shareholder Rights	Fidelity Shareholder Rights
Annual Meeting of Shareholders	AEB's bylaws provide that an annual meeting will be held each year at the time and place set by the AEB board of directors, but in no event later than thirteen months after the last preceding annual meeting.	Fidelity's bylaws provide that the annual meeting of the shareholders shall be held at such place on such date and at such time as the board of directors may by resolution provide, or if the board fails to provide, then such meeting shall be held at the principal office of Fidelity at 10:00 A.M. on the fourth Tuesday in April of each year. The board of directors may specify by resolution prior to any special meeting of shareholders held within the year that such meeting shall be in lieu of the annual meeting.
Shareholder Ability to Call Special Meetings	AEB's bylaws provide that special meetings of the AEB shareholders may be called by the Chairman of the Board, the President or the board of directors, or at the request in writing of shareholders owning at least ten percent in amount of the shares of AEB common stock outstanding and entitled to vote.	Special meeting of the Fidelity shareholders may be called at any time by the board of directors, the President, or upon written request of the holders of at least twenty-five percent of the outstanding common stock.
Notice of Meetings	Notice of any annual or special meeting must be given personally or by mail to each shareholder entitled to vote at the annual or special meeting not less than ten nor more than sixty days prior to the annual or special meeting.	Written notice of each meeting of shareholders, stating the time and place of the meeting, and the purpose of any special meeting, shall be mailed to each shareholder entitled to vote at or to notice of such meeting not less than ten nor more than seventy days prior to such meeting unless such shareholder waives notice of the meeting.
Approval of Business Combinations	AEB's articles of incorporation and bylaws do not contain any provisions for the special approval of business combinations. Florida does not have a business combination statute like Delaware, but instead has an affiliated transactions statute. The Florida statute defines an "affiliated transaction" as a merger by a Florida corporation with an "interested shareholder," a sale, lease or other disposition to the interested shareholder of assets of the corporation above a certain threshold, including 5% or more of the fair market value of all of the assets of the corporation, or the	Fidelity's articles of incorporation provide that any merger, liquidation or dissolution of Fidelity, or any action that would result in the same or other disposition of all or substantially all of the assets of Fidelity shall require approval by the affirmative vote of the holders of at least sixty-six and two-thirds percent (662/3%) of the issued and outstanding shares of capital stock then entitled to vote on such matters. Under the Georgia Business Corporation Code ("GBCC"), a plan of merger or share exchange must be adopted by the board of directors of each party to such merger or share exchange and, subject to certain exceptions, approved by the shareholders of each party.

TABLE OF CONTENTS

AEB Shareholder Rights

issuance or transfer by the corporation of shares of its capital stock having a fair market value equal to 5% of the fair market value of all of the outstanding shares of the corporation to the interested shareholder, adoption of any plan for liquidation or dissolution involving the interested shareholder, any reclassification of securities, or any receipt by the interested shareholder of any loans, guarantees or other financial assistance. Generally, the Florida statute requires approval of an affiliated transaction by two-thirds of the voting shares of the corporation other than the shares beneficially owned by the interested shareholder.

Under Florida law, holders of AEB common stock are entitled to appraisal rights under the Florida Business Corporation Act (“FBCA”). Pursuant to Section 607.1302 of the FBCA, an AEB shareholder who does not wish to accept the consideration to be received pursuant to the terms of the merger agreement may dissent from the merger and receive a cash payment equal to the fair value of his or her shares of AEB stock instead of receiving the merger consideration. To exercise appraisal rights, AEB common shareholders must strictly follow the procedures established by Sections 607.1301 through 607.1333 of the FBCA. A dissenting shareholder who desires to exercise his or her appraisal rights must file with AEB, prior to the taking of the vote on the merger agreement, a written notice of intent to demand payment for his or her shares if the merger is effectuated. See “Appraisal Rights of Dissenting Shareholders,” beginning at page 29.

Fidelity Shareholder Rights

The GBCC provides that Fidelity shareholders who comply with certain procedural requirements of the GBCC are entitled to dissent from and obtain payment of the fair value of their shares in the event of certain mergers, share exchanges, sales or exchanges of all or substantially all of the Fidelity’s assets, amendments to the articles of incorporation that materially and adversely affect certain rights with respect to a dissenter’s shares, and certain other actions taken pursuant to a shareholder vote to the extent provided for under the GBCC, the articles of incorporation, the bylaws, or by resolution of the Fidelity board. However, shareholders of any class of shares are not entitled to vote on certain mergers, share exchanges, sales or exchanges of property, or amendments to the articles of incorporation if such shares, at the record date fixed to determine the shareholders entitled to receive notice of and to vote at a meeting of shareholders at which the certain merger, share exchange, sale or exchange of property, or amendment to the articles of incorporation is to be acted on, were either listed on a national securities exchange or held of record by more than 2,000 shareholders.

Dissenters’
Rights

TABLE OF CONTENTS

Amendments to Articles of Incorporation	<p>AEB Shareholder Rights</p> <p>Under Florida law, the board of directors may propose an amendment to AEB’s articles of incorporation for submission to the shareholders. Generally, to be adopted, the amendment must be approved by a majority of the votes entitled to be cast on such amendment.</p>	<p>Fidelity Shareholder Rights</p> <p>Any amendment or repeal of Article VI (business combinations) or Article VII (tender offers) of Fidelity’s articles of incorporation shall require the affirmative vote of holders of sixty-six and two-thirds percent (66²/₃%) of the shares of capital stock of Fidelity then entitled to vote on such matters.</p>
Amendments to Bylaws	<p>The bylaws of AEB may be appealed, altered, amended and rescinded by the board of directors.</p>	<p>The board of directors shall have the power to alter, amend or repeal Fidelity’s bylaws or adopt new bylaws, but any bylaws adopted by the board may be altered, amended or repealed and new bylaws adopted by the shareholders. The shareholders may prescribe that any bylaw adopted by them shall not be altered, amended or repealed by the board. Action by the directors with respect to the bylaws shall be taken by an affirmative vote of a majority of all the directors then in office. Action by the shareholders with respect to the bylaws shall be taken by an affirmative vote of a majority of all shares outstanding and entitled to vote.</p>
Indemnification of Directors and Officers and Limitation of Director Liability	<p>AEB’s bylaws provide that it may indemnify any person who is party to any proceeding by reason that the person is or was a director, officer, employee, or agent of AEB, if the person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of AEB, and, with respect to any criminal proceeding, had no reasonable cause to believe his conduct was unlawful.</p>	<p>Fidelity’s articles of incorporation provide that, to the extent permitted by law, a director shall not be liable to Fidelity or its shareholders for monetary damages for breach of the duty of care or other duty as a director; provided, however, that a director may be liable (a) for any appropriation, in violation of his duties, of any business opportunity of Fidelity; (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) for the types of liability set forth in the Official Code of Georgia Annotated Section 14-2-832; or (d) for any transaction from which the director derived an improper personal benefit.</p> <p>Fidelity’s bylaws provide that it shall indemnify and hold harmless any person who was or is a party or is threatened to be made a party to any proceeding by reason of the fact that he is or was a director, officer, employee or agent of Fidelity against expenses (including attorneys’ fees), judgments, fines and amounts paid in</p>

TABLE OF CONTENTS

AEB Shareholder Rights

Fidelity Shareholder Rights

settlement actually and reasonably incurred by him in connection with such proceeding if he acted in a manner he reasonably believed to be in or not opposed to the best interests of Fidelity, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any proceeding shall not, or itself, create a presumption that the person did not act in a manner which he reasonably believed to be in or not opposed to the best interests of Fidelity, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Securities Exchange Act Reporting

AEB is not subject to any of the filing requirements with the SEC.

Fidelity is subject to filing requirements under the Securities Exchange Act of 1934. These filing requirements are both periodic and transaction-based obligations whereby Fidelity discloses certain information to the SEC, and this information is subsequently made available to the public.

Dividends

Fidelity declared aggregate cash dividends of \$0.29 per share of common stock for the nine months ended September 30, 2015 and aggregate cash dividends of \$0.30 per share of common stock for the year ended December 31, 2014. Fidelity intends to continue paying cash dividends, but the amount and frequency of cash dividends, if any, will be determined by Fidelity's board of directors after consideration of certain non-financial and financial factors including earnings, capital requirements, and the financial condition of Fidelity, and will depend on cash dividends paid to it by its subsidiary bank. The ability of Fidelity's subsidiary bank to pay dividends to it is restricted by certain regulatory requirements.

AEB has never declared or paid dividends on shares of its common stock.

Accounting Treatment

The merger will be accounted for as a purchase for financial reporting and accounting purposes. After the merger, the results of operations of AEB will be included in the consolidated financial statements of Fidelity. The merger consideration will be allocated based on the fair values of the assets acquired and the liabilities assumed. Any excess of cost over fair value of the net tangible and identified intangible assets of AEB acquired will be recorded as goodwill. Any identified intangible asset may be amortized by charges to operations under generally accepted accounting principles.

Regulatory Approvals

The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and the Department of Banking and Finance of the State of Georgia must approve the merger. In determining whether to grant that approval, the Federal Reserve will consider the effect of the merger on the financial and managerial resources and future prospects of the companies and banks concerned and the convenience and needs of the communities to be served.

The review of the merger application by the Federal Reserve, the Federal Deposit Insurance Corporation or the Georgia Department of Banking and Finance will not include an evaluation of the proposed transaction from the financial perspective of the individual shareholders of AEB. Further, no shareholder should construe

TABLE OF CONTENTS

an approval of the merger application by the Federal Reserve, the Federal Deposit Insurance Corporation or the Georgia Department of Banking and Finance to be a recommendation that the shareholders vote to approve the proposal. Each shareholder entitled to vote should evaluate the proposal to determine the personal financial impact of the completion of the proposed transaction. Shareholders not fully knowledgeable in such matters are advised to obtain the assistance of competent professionals in evaluating all aspects of the proposal including any determination that the completion of the proposed transaction is in the best financial interest of the shareholder.

Appraisal Rights of Dissenting Shareholders

Under Florida law, holders of AEB common stock may be entitled to assert appraisal rights pursuant to Sections 607.1301 through 607.1333 of the Florida Business Corporation Act (the “Dissenter Provisions”). The following summary of Florida law is qualified in its entirety by reference to the full text of the Dissenter Provisions, a copy of which is included as Appendix B to these materials.

In order to exercise appraisal rights, a dissenting shareholder must strictly comply with the statutory procedures of the Dissenter Provisions, which are summarized below. AEB shareholders are urged to read Appendix B in its entirety and to consult with their legal advisors. Each AEB shareholder who desires to assert his or her appraisal rights is cautioned that failure on his or her part to adhere strictly to the requirements of Florida law in any regard will cause a forfeiture of any appraisal rights.

A dissenting shareholder who desires to exercise his or her appraisal rights must file with AEB, prior to the taking of the vote on the Agreement and Plan of Merger, a written notice of intent to demand payment for his or her shares if the merger is effectuated. A vote against the Agreement and Plan of Merger will not alone be deemed to be the written notice of intent to demand payment and will not be deemed to satisfy the notice requirements under the Dissenter Provisions. A dissenting shareholder need not vote against the Agreement and Plan of Merger, but cannot vote, or allow any nominee who holds such shares for the dissenting shareholder to vote, any of his or her shares of AEB common stock in favor of the Agreement and Plan of Merger. A vote in favor of the Agreement and Plan of Merger will constitute a waiver of the shareholder’s appraisal rights. A shareholder’s failure to vote against the Agreement and Plan of Merger will not constitute a waiver of such shareholder’s dissenters’ rights. Such written notification should be delivered either in person or by mail (certified mail, return receipt requested, being the recommended form of transmittal) to the main office of AEB, attention Corporate Secretary.

All such notices must be signed in the same manner as the shares are registered on the books of AEB. If an AEB shareholder has not provided written notice of intent to demand fair value before the vote on the proposal to approve the Agreement and Plan of Merger is taken at the special meeting, then the AEB shareholder will be deemed to have waived his or her appraisal rights.

Within ten days after the completion of the merger, Fidelity must provide to each AEB shareholder who filed a notice of intent to demand payment for his or her shares a written appraisal notice and an election form that specifies, among other things:

- the date of the completion of the merger;
- Fidelity’s estimate of the fair value of the shares of AEB common stock;
- where to return the completed appraisal election form and the shareholder’s stock certificates and the date by which each must be received by Fidelity or its agent, which date with respect to the receipt of the appraisal election form may not be fewer than forty, nor more than sixty, days after the date Fidelity sent the appraisal election form to the shareholder (and shall state that the shareholder shall have waived the right to demand appraisal with respect to the shares unless such form is received by Fidelity by such specified date) and which with respect to the return of stock certificates must not be earlier than the date for receiving the appraisal election form;
-

that, if requested in writing, Fidelity will provide to the shareholder so requesting, within ten days after the date set for receipt by Fidelity of the appraisal election form, the number of shareholders who return the forms by such date and the total number of shares owned by them; and

TABLE OF CONTENTS

- the date by which a notice from the AEB shareholder of his or her desire to withdraw his or her appraisal election must be received by Fidelity, which date must be within twenty days after the date set for receipt by Fidelity of the appraisal election form from the AEB shareholder.

The form must also contain Fidelity's offer to pay to the AEB shareholder the amount that it has estimated as the fair value of the shares of AEB common stock, and request certain information from the AEB shareholder, including:

- the shareholder's name and address;

- the number of shares as to which the shareholder is asserting appraisal rights;

- that the shareholder did not vote for the merger;

- whether the shareholder accepts the offer of Fidelity to pay its estimate of the fair value of the shares of AEB common stock to the shareholder; and

- if the shareholder does not accept the offer of Fidelity, the shareholder's estimated fair value of the shares of AEB common stock and a demand for payment of the shareholder's estimated value plus interest.

A dissenting shareholder must execute the appraisal election form, and in the case of certificated shares, deposit the shareholder's certificates, by the specified date. Any dissenting shareholder failing to return a properly completed appraisal election form and his or her stock certificates within the period stated in the form will lose his or her appraisal rights and be bound by the terms of the Agreement and Plan of Merger. Upon returning the appraisal election form, a dissenting shareholder will be entitled only to payment pursuant to the procedure set forth in the Dissenter Provisions and will not be entitled to vote or to exercise any other rights of a shareholder, unless the dissenting shareholder withdraws his or her demand for appraisal within the time period specified in the appraisal election form.

A dissenting shareholder who has delivered the appraisal election form and his or her AEB common stock certificates may decline to exercise appraisal rights and withdraw from the appraisal process by giving written notice to Fidelity within the time period specified in the appraisal election form. Thereafter, a dissenting shareholder may not withdraw from the appraisal process without the written consent of Fidelity. Upon such withdrawal, the right of the dissenting shareholder to be paid the fair value of his or her shares will cease, and he or she will be reinstated as a shareholder and will be entitled to receive the merger consideration.

If the dissenting shareholder accepts the offer of Fidelity in the appraisal election form to pay Fidelity's estimate of the fair value of the shares of AEB common stock, payment for the shares of the dissenting shareholder is to be made within ninety days after the receipt of the appraisal election form by Fidelity or its agent. Upon payment of the agreed value, the dissenting shareholder will cease to have any interest in such shares.

A shareholder must demand appraisal rights with respect to all of the shares registered in his or her name, except that a record shareholder may assert appraisal rights as to fewer than all of the shares registered in the record shareholder's name but which are owned by a beneficial shareholder, if the record shareholder objects with respect to all shares owned by the beneficial shareholder. A record shareholder must notify AEB in writing of the name and address of each beneficial shareholder on whose behalf appraisal rights are being asserted. A beneficial shareholder may assert appraisal rights as to any shares held on behalf of the beneficial shareholder only if the beneficial shareholder submits to AEB the record shareholder's written consent to the assertion of such rights before the date specified in the appraisal election form, and does so with respect to all shares that are beneficially owned by the beneficial shareholder.

A shareholder who is dissatisfied with Fidelity's estimate of the fair value of the shares of Fidelity common stock must notify Fidelity of the shareholder's estimate of the fair value of the shares and demand payment of that estimate plus interest in the appraisal election form within the time period specified in the

30

TABLE OF CONTENTS

form. A shareholder who fails to notify Fidelity in writing of the shareholder's demand to be paid its stated estimate of the fair value of the shares plus interest within the required time period waives the right to demand payment and will be entitled only to the payment offered by Fidelity in the appraisal election form.

Section 607.1330 of the Dissenter Provisions addresses what should occur if a dissenting shareholder fails to accept the offer of Fidelity to pay the value of the shares as estimated by Fidelity, and Fidelity fails to comply with the demand of the dissenting shareholder to pay the value of the shares as estimated by the dissenting shareholder, plus interest.

If a dissenting shareholder refuses to accept the offer of Fidelity to pay the value of the shares as estimated by Fidelity, and Fidelity fails to comply with the demand of the dissenting shareholder to pay the value of the shares as estimated by the dissenting shareholder, plus interest, then within sixty days after receipt of a written demand from any dissenting shareholder, Fidelity shall, or at its election at any time within such period of sixty days may, file an action in any court of competent jurisdiction in the county in Florida where the registered office of Fidelity, maintained pursuant to Florida law, is located requesting that the fair value of such shares be determined by the court. If Fidelity fails to institute a proceeding within the above-prescribed period, any dissenting shareholder may do so in the name of Fidelity. All dissenting shareholders whose demands remain unsettled shall be made parties to the proceeding as in an action against their shares and a copy of the initial pleading will be served on each dissenting shareholder as provided by law. The shareholders demanding appraisal rights are entitled to the same discovery rights as parties in other civil proceedings. There shall be no right to a jury trial.

Fidelity is required to pay each dissenting shareholder the amount found to be due within ten days after final determination of the proceedings, which amount may, in the discretion of the court, include a fair rate of interest, which will also be determined by the court. Upon payment of the judgment, the dissenting shareholder ceases to have any interest in such shares.

Section 607.1331 of the Dissenter Provisions provides that the costs of a court appraisal proceeding, including reasonable compensation for, and expenses of, appraisers appointed by the court, will be determined by the court and assessed against Fidelity, except that the court may assess costs against all or some of the dissenting shareholders who are involved in the judicial proceeding, in amounts the court finds equitable, to the extent that the court finds such shareholders acted arbitrarily, vexatiously or not in good faith with respect to their appraisal rights. The court also may assess the fees and expenses of counsel and experts for the respective parties, in amounts the court finds equitable, against: (i) Fidelity and in favor of any or all dissenting shareholders who are involved in the judicial proceeding if the court finds Fidelity did not substantially comply with the notification provisions set forth in Sections 607.1320 and 607.1322 of the Dissenter Provisions; or (ii) either Fidelity or a dissenting shareholder, in favor of any other party, if the court finds that the party against whom the fees and expenses are assessed acted arbitrarily, vexatiously, or not in good faith with respect to the appraisal rights. If the court in an appraisal proceeding finds that the services of counsel for any dissenting shareholder were of substantial benefit to other dissenting shareholders, and that the fees for those services should not be assessed against Fidelity, the court may award to such counsel reasonable fees to be paid out of the amounts awarded the dissenting shareholders who were benefited. To the extent that Fidelity fails to make a required payment when a dissenting shareholder accepts Fidelity's offer to pay the value of the shares as estimated by Fidelity, the dissenting shareholder may sue directly for the amount owed and, to the extent successful, shall be entitled to recover from Fidelity all costs and expenses of the suit, including counsel fees.

Because of the complexity of the Florida laws relating to appraisal rights of dissenting shareholders, AEB shareholders who are considering dissenting from the merger are urged to consult their own legal counsel.

Material Federal Income Tax Consequences of the Merger and Opinion of Tax Counsel

Subject to the limitations, assumptions and qualifications described herein, in the opinion of each of Troutman Sanders LLP and Smith, Gambrell & Russell, LLP, the following discussion summarizes the anticipated material U.S. federal income tax consequences of the merger generally applicable to "U.S. holders" (as defined below) of AEB common stock that exchange their shares in the merger. This summary

TABLE OF CONTENTS

is based upon the Internal Revenue Code of 1986, as amended (the “Code”), Treasury regulations promulgated thereunder, judicial authorities, published positions of the Internal Revenue Service (“IRS”) and other applicable authorities, all as in effect on the date of this discussion and all of which are subject to change (possibly with retroactive effect) and differing interpretations. The opinions of tax counsel for each of Fidelity and AEB are filed as Exhibit 8.1 and Exhibit 8.2, respectively, to the registration statement on Form S-4 of which this document is a part. This summary is limited to U.S. holders (as defined below) that hold their shares of AEB common stock as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment). Furthermore, this discussion does not address all of the tax consequences that may be relevant to a particular AEB shareholder or to AEB shareholders that are subject to special rules under U.S. federal income tax laws, such as: shareholders that are not U.S. holders; financial institutions; insurance companies; mutual funds; tax-exempt organizations; S corporations or other pass-through entities (or investors in such entities); regulated investment companies; real estate investment trusts; dealers in securities or currencies; persons subject to the alternative minimum tax provisions of the Code; former citizens or residents of the United States; persons whose functional currency is not the U.S. dollar; traders in securities that elect to use a mark-to-market method of accounting; persons who (directly or through attribution) own 5% or more of the outstanding common stock of AEB; persons who hold AEB common stock as part of a straddle, hedge, constructive sale or conversion transaction; and U.S. holders who acquired their shares of AEB common stock through the exercise of an employee stock option or otherwise as compensation.

For purposes of this section, the term “U.S. holder” means a beneficial owner of AEB common stock that for U.S. federal income tax purposes is: (i) an individual who is a citizen or resident of the United States; (ii) an entity, including a corporation (or other entity taxable as a corporation), created or organized under the laws of the United States, any state thereof, or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source; or (iv) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust, and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (b) a valid election to be treated as a U.S. person is in effect with respect to such trust.

If a partnership (including any entity or arrangement that is treated as a partnership for U.S. federal income tax purposes) holds AEB common stock, the tax treatment of a partner generally will depend on the status of the partners and the activities of the partnership. Partnerships and partners in such a partnership should consult their tax advisers about the tax consequences of the merger to them.

Holders of AEB common stock are urged to consult with their own tax advisors as to the tax consequences of the merger in their particular circumstances, including the applicability and effect of the alternative minimum tax and any state, local or foreign income tax and other tax laws and of any changes in those laws.

The Merger

The merger is intended to constitute a “reorganization” within the meaning of Section 368(a) of the Code. Consummation of the merger is conditioned upon each of Fidelity and AEB receiving a written tax opinion, dated the closing date of the merger, from their respective outside legal counsels to the effect that, based upon facts, representations and assumptions set forth in such opinions, the merger will be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code. An opinion of counsel represents the counsel’s best legal judgment and is not binding on the IRS or any court, and as a result, there can be no assurance that the IRS will not assert, or that a court would not sustain, a position contrary to any such opinion. In addition, if any of the representations or assumptions upon which these opinions are based is inconsistent with the actual facts, the U.S. federal income tax consequences of the merger could be adversely affected. Accordingly, each AEB shareholder should consult its tax advisor with respect to the particular tax consequences of the merger to such holder. The remainder of this discussion assumes that, for U.S. federal income tax purposes, the merger will constitute a reorganization within the meaning of Section 368(a) of the Code.

TABLE OF CONTENTS

Consequences to Fidelity and AEB

Each of Fidelity and AEB will be a party to the merger within the meaning of Section 368(b) of the Code, and neither Fidelity nor AEB will recognize any gain or loss as a result of the merger.

Consequences to Shareholders

Exchange Solely for Fidelity Common Stock. A U.S. holder will not recognize any gain or loss in connection with such U.S. holder's exchange of all of its shares of AEB common stock for shares of Fidelity common stock, except in respect of cash received in lieu of any fractional share of Fidelity common stock.

Cash Received in Lieu of a Fractional Share. If a U.S. holder receives cash in the merger instead of a fractional share interest in Fidelity common stock, the U.S. holder will be treated as having received such fractional share in the merger, and then as having received cash in exchange for such fractional share. Gain or loss would be recognized in an amount equal to the difference between the amount of cash received and the AEB shareholder's adjusted tax basis allocable to such fractional share. The gain or loss generally will be a capital gain or loss, and will be long-term capital gain or loss if, as of the effective date of the merger, the U.S. holder held its shares of AEB common stock for more than one year.

Exchange Solely for Cash upon Exercise of Appraisal Rights. Upon the proper exercise of appraisal rights, the exchange of AEB shares solely for cash generally will result in recognition of gain or loss by the U.S. holder in an amount equal to the difference between the amount of cash received by the U.S. holder and the U.S. holder's tax basis in its AEB common stock (generally the purchase price paid by the U.S. holder to acquire such stock). The gain or loss generally will be a capital gain or loss, and will be long-term capital gain or loss if, as of the effective date of the merger, the U.S. holder held its shares of AEB common stock for more than one year.

Tax Basis in, and Holding Period for, Fidelity Common Stock. The aggregate tax basis of the Fidelity common stock received by a U.S. holder as a result of the merger (excluding fractional shares deemed received and redeemed as described above) will be equal to the aggregate tax basis of its AEB common stock surrendered decreased by any portion of such tax basis allocated to fractional shares of Fidelity common stock that are treated as redeemed by Fidelity. The holding period of the Fidelity common stock a U.S. holder receives as a result of the exchange will include the holding period of AEB common stock surrendered in the merger. If a U.S. holder has differing bases or holding periods in respect of its shares of AEB common stock, it should consult its tax advisor with regard to identifying the bases or holding periods of the particular shares of Fidelity common stock received in the exchange.

Backup Withholding and Information Reporting

A non-corporate U.S. holder may be subject under certain circumstances to information reporting and backup withholding (currently at a rate of 28%) on any cash payments received. A U.S. holder generally will not be subject to backup withholding, however, if such U.S. holder: (1) furnishes a correct taxpayer identification number, certifies that it is not subject to backup withholding and otherwise complies with all the applicable requirements of the backup withholding rules; or (2) provides proof that it is otherwise exempt from backup withholding. Any amounts withheld under the backup withholding rules are not an additional tax and generally will be allowed as a refund or credit against the U.S. holder's U.S. federal income tax liability, provided such U.S. holder timely furnishes the required information to the IRS. U.S. holders should consult their own tax advisors regarding the application of backup withholding based on their particular circumstances and the availability and procedure for obtaining an exemption from backup withholding.

An AEB shareholder who receives Fidelity common stock as a result of the merger will be required to retain records pertaining to the merger. Each AEB shareholder who is required to file a U.S. federal income tax return and who is a "significant holder" that receives Fidelity common stock in the merger will be required to file a statement with such U.S. federal income tax return in accordance with Treasury Regulations Section 1.368-3 setting forth information regarding the parties to the merger, the date of the merger, the fair market value of such AEB shareholder's AEB shares surrendered and such shareholder's

TABLE OF CONTENTS

basis in such shares. A “significant holder” is a holder of AEB common stock who, immediately before the merger, either: (i) owned at least 1% by vote or value of the outstanding stock of AEB or (ii) owned securities of AEB with a basis for federal income tax purposes of at least \$1 million.

THE PRECEDING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF THE MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR DISCUSSION OF ALL POTENTIAL TAX EFFECTS RELEVANT THERETO. AEB SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES TO THEM OF THE MERGER, INCLUDING TAX RETURN REPORTING REQUIREMENTS, THE APPLICABILITY AND EFFECT OF NON-U.S., FEDERAL, STATE, AND LOCAL INCOME TAX, AND OTHER APPLICABLE TAX LAWS, AND THE EFFECT OF ANY PROPOSED CHANGES IN THE TAX LAWS.

Opinion of AEB’s Financial Advisor

The fairness opinion of AEB’s financial advisor, Hovde Group, LLC, is described below. The description contains projections, estimates and other forward-looking statements about the future earnings or other measures of the future performance of AEB. The projections were based on numerous variables and assumptions, which are inherently uncertain, including factors related to general economic and competitive conditions. Accordingly, actual results could vary significantly from those set forth in the projections. You should not rely on any of these statements as having been made or adopted by AEB or Fidelity. You should review the copy of the fairness opinion, which is attached as Appendix C.

Hovde has acted as AEB’s financial advisor in connection with the proposed merger. Hovde is a nationally recognized investment banking firm with substantial experience in transactions similar to the merger and is familiar with AEB and its operations. As part of its investment banking business, Hovde is continually engaged in the valuation of businesses and their securities in connection with, among other things, mergers and acquisitions. AEB’s board of directors selected Hovde to render a fairness opinion in connection with the merger on the basis of the firm’s reputation and expertise in transactions such as the merger.

Hovde reviewed the financial aspects of the proposed merger with AEB’s board of directors and, on October 26, 2015, delivered a written opinion to AEB’s board of directors that the merger consideration to be paid in connection with the merger was fair to the shareholders of AEB from a financial point of view. In requesting Hovde’s advice and opinion, no limitations were imposed by AEB upon Hovde with respect to the investigations made or procedures followed by it in rendering its opinion.

AEB engaged Hovde on June 25, 2015, to provide AEB with financial services relating to issuing a fairness opinion to AEB’s board of directors. Pursuant to the terms of the engagement, Hovde will receive consideration in the amount of \$50,000 for the delivery of its fairness opinion. At the time the merger is completed, AEB will pay Hovde a completion fee, which is contingent upon the completion of the merger. Pursuant to the engagement agreement, in addition to its fees and regardless of whether the merger is consummated, AEB has agreed to reimburse Hovde for certain reasonable out-of-pocket expenses incurred in performing its services and to indemnify Hovde against certain claims, losses and expenses arising out of the merger or Hovde’s engagement. In addition, Hovde has not had a material relationship with any party to the merger for which it has received compensation during the prior two years. The full text of Hovde’s written opinion is included in this proxy statement as Appendix C and is incorporated herein by reference. You are urged to read the opinion in its entirety for a description of the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Hovde. The summary of the Hovde’s opinion included in this proxy statement is qualified in its entirety by reference to the full text of such opinion. Hovde’s opinion is directed to AEB’s board of directors and addresses only the fairness, from a financial point of view, of the merger consideration payable to AEB’s shareholders in connection with the merger. It does not address the underlying business decision to proceed with the merger and does not constitute a recommendation to any of the shareholders as to how such shareholder should vote at the special meeting on the merger or any related matter.

TABLE OF CONTENTS

The type and amount of consideration payable in the merger was determined through negotiations between AEB and Fidelity, with the assistance of Hovde, and was approved by AEB's board of directors. As described above, Hovde's opinion to the board of directors of AEB was one of many factors taken into consideration by the board of directors of AEB in making its determination to approve the merger agreement.

During the course of its engagement, and as a basis for arriving at its opinion, Hovde reviewed and analyzed material bearing upon the financial and operating conditions of AEB and material prepared in connection with the merger, including, among other things, the following:

- a draft of the Agreement dated October 16, 2015, as provided to Hovde by AEB;
- certain unaudited financial statements for AEB and Fidelity for the nine-month period ended September 30, 2015;
- certain historical annual reports of AEB and American Enterprise Bank of Florida and Fidelity, including audited annual reports for the year ended December 31, 2014;
- certain historical publicly available business and financial information concerning AEB, American Enterprise Bank of Florida and Fidelity;
- certain internal financial statements and other financial and operating data concerning AEB, American Enterprise Bank of Florida and Fidelity;
- financial projections prepared by certain members of senior management of AEB and American Enterprise Bank of Florida;
- the terms of recent merger, acquisition and control investment transactions, to the extent publicly available, involving financial institutions and financial institution holding companies that Hovde considered relevant;
- the general economic, market and financial conditions;
- the pro forma impact of the merger on the combined company's earnings per share, consolidated capitalization and financial ratios;
- certain publicly available financial and stock market data relating to selected public companies that Hovde deemed relevant; and
- historical market prices and trading volumes of Fidelity's common stock.

Hovde also conducted meetings and had discussions with members of senior management of AEB and Fidelity for purposes of reviewing the business, financial condition, results of operations and future prospects of AEB, American Enterprise Bank of Florida, and Fidelity, as well as the history and past and current operations of AEB, American

Enterprise Bank of Florida, and Fidelity, AEB's convertible subordinated debentures and the terms thereof, and AEB's, American Enterprise Bank of Florida's, and Fidelity's historical financial performance, outlook and future prospects. Hovde also discussed with management of AEB its assessment of the rationale for the merger. Hovde also performed such other analyses and considered such other factors as Hovde deemed appropriate, and took into account its experience in other transactions, as well as its knowledge of American Enterprise Bank of Florida and financial services industry and its general experience in securities valuations.

In rendering its opinion, Hovde assumed, without independent verification, the accuracy and completeness of the financial and other information and representations contained in the materials provided to it by AEB, American Enterprise Bank of Florida, and Fidelity, and in the discussions it had with management of AEB. Hovde relied upon the reasonableness and achievability of the financial forecasts and projections (and the assumptions and bases therein) provided to Hovde by AEB, American Enterprise Bank of Florida and Fidelity, and assumed that the financial forecasts, including without limitation, the projections regarding under-performing and non-performing assets and net charge-offs, were reasonably prepared by AEB, American Enterprise Bank of Florida, and Fidelity on a basis reflecting the

35

TABLE OF CONTENTS

best currently available information and judgments and estimates by AEB, American Enterprise Bank of Florida, and Fidelity, and that such forecasts will be realized in the amounts and at the times contemplated thereby. Hovde did not assume any responsibility to independently to verify such information or assumptions.

Hovde is not an expert in the evaluation of loan and lease portfolios for purposes of assessing the adequacy of the allowances for loan losses with respect thereto. Hovde assumed that such allowances for AEB, American Enterprise Bank of Florida, and Fidelity, are in the aggregate, adequate to cover such losses, and will be adequate on a pro forma basis for the combined entity. Hovde was not requested to make, and did not conduct, an independent evaluation, physical inspection or appraisal of the assets, properties, facilities or liabilities (contingent or otherwise) of AEB, American Enterprise Bank of Florida, or Fidelity, the collateral securing any such assets or liabilities, or the collectability of any such assets, and Hovde was not furnished with any such evaluations or appraisals, nor did Hovde review any loan or credit files of AEB, American Enterprise Bank of Florida, or Fidelity.

Hovde assumed that the merger will be consummated substantially in accordance with the terms set forth in the Agreement, without any waiver of material terms or conditions by AEB or any other party to the Agreement and that the final Agreement would not differ materially from the draft Hovde reviewed. Hovde assumed that the merger is, and will be, in compliance with all laws and regulations that are applicable to AEB and Fidelity. AEB advised Hovde that there are no factors that would impede any necessary regulatory or governmental approval of the merger. Hovde further assumed that, in the course of obtaining the necessary regulatory and government approvals, no restriction will be imposed on AEB or on Fidelity that would have a material adverse effect on the contemplated benefits of the merger. Hovde also assumed that no changes in applicable law or regulation will occur that will cause a material adverse change in the prospects or operations of AEB and Fidelity after the merger.

In performing its analyses, Hovde made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Hovde, AEB and Fidelity. Hovde's opinion was necessarily based on financial, economic, market and other conditions and circumstances as they existed on, and on the information made available to Hovde as of, the dates used in its opinion. Hovde has no obligation to update or reaffirm its opinion at any time. Any estimates contained in the analyses performed by Hovde are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by these analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities may be sold or the prices at which any securities may trade at any time in the future. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. Hovde's opinion does not address the relative merits of the merger as compared to any other business combination in which AEB might engage. In addition, Hovde's fairness opinion was among several factors taken into consideration by AEB's board of directors in making its determination to approve the Agreement and the merger. Consequently, the analyses described below should not be viewed as solely determinative of the decision of AEB's board of directors or AEB's management with respect to the fairness of the merger consideration to be paid to, or any consideration to be received by, AEB's shareholders in connection with the merger.

The following is a summary of the material analyses prepared by Hovde and delivered to AEB's board of directors on October 26, 2015, in connection with the delivery of its fairness opinion. This summary is not a complete description of the analyses underlying the fairness opinion or the presentation prepared by Hovde, but it summarizes the material analyses performed and presented in connection with such opinion. The preparation of a fairness opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, Hovde did not attribute any particular weight to any analysis or factor that it considered, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. The financial analyses summarized below include the information presented in tabular format. The analyses and the summary of the analyses must be considered as a whole and selecting portions of the analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading

TABLE OF CONTENTS

or incomplete view of the process underlying the analyses and opinion of Hovde. The tables alone are not a complete description of the financial analyses.

Market Approach — Comparable Transactions. As part of its analysis, Hovde reviewed publicly available information related to two comparable groups (“Regional Group” and “Nationwide Group”) of select acquisition transactions of banks. The Regional Group consisted of acquisition transactions of banks headquartered in the Southeast Region of the United States (consisting of the states of Virginia, West Virginia, Tennessee, North Carolina, South Carolina, Georgia, Arkansas, Mississippi, Louisiana, and Florida) announced since January 1, 2013, in which the target had assets between \$100 million and \$300 million, nonperforming assets (“NPAs”) to assets between 1.0% and 6.0% and a return on average assets (“ROAA”) greater than 0.0% over the last twelve months (“LTM”). The Nationwide Group consisted of acquisition transactions of banks in the United States announced since January 1, 2013, in which the target had assets between \$150 million and \$300 million, NPAs to assets between 2.0% and 6.0% and a return on average assets between 0.25% and 0.75% over the last twelve months. Information for the target institutions was based on balance sheet data as of, and income statement data for the twelve months preceding, the most recent quarter prior to announcement of the transactions. The resulting two groups consisted of the following transactions (21 transactions for the Regional Group and 19 transactions for the Nationwide Group):

Regional Group: Buyer (State)	Target (State)
Southern States Bancshares, Inc. (AL)	Columbus Community Bank (GA)
Hamilton State Bancshares, Inc. (GA)	Highland Financial Services, Inc. (GA)
River Financial Corporation (AL)	Keystone Bancshares, Inc. (AL)
Achieva Credit Union (FL)	Calusa Financial Corporation, Inc. (FL)
Carolina Alliance Bank (SC)	PBSC Financial Corporation (SC)
Ironhorse Financial Group, Inc. (OK)	Benefit Bank (AR)
ServisFirst Bancshares, Inc. (AL)	Metro Bancshares, Inc. (GA)
American National Bancshares, Inc. (VA)	MainStreet BankShares, Inc. (VA)
Charles Investment Group, LLC (AL)	United Group Banking Company of Florida, Inc. (FL)
Community & Southern Holdings, Inc. (GA)	Alliance Bancshares, Inc. (GA)
First American Bank Corporation (IL)	Bank of Coral Gables (FL)
State Bank Financial Corporation (GA)	Atlanta Bancorporation, Inc. (GA)
Heritage Financial Group, Inc. (GA)	Alarion Financial Services, Inc. (FL)
First Citizens Bancshares, Inc. (TN)	Southern Heritage Bancshares, Inc. (TN)
HomeTrust Bancshares, Inc. (NC)	

	Bank of Commerce (NC)
TriSummit Bancorp, Inc. (TN)	Community National Bank of the Lakeway Area (TN)
Franklin Financial Network, Inc. (TN)	MidSouth Bank (TN)
Community & Southern Holdings, Inc. (GA)	Verity Capital Group, Inc. (GA)
Carolina Alliance Bank (SC)	Forest Commercial Bank (NC)
HomeTrust Bancshares, Inc. (NC)	BankGreenville Financial Corporation (SC)
Southern BancShares (N.C.), Inc. (NC)	Heritage Bancshares, Inc. (NC)

TABLE OF CONTENTS

Nationwide Group: Buyer (State)	Target (State)
Preferred Bank (CA)	United International Bank (NY)
First Capital, Inc. (IN)	Peoples Bancorp Inc. of Bullitt County (KY)
Heartland Financial USA, Inc. (IA)	Community Bancorporation of New Mexico (NM)
Ironhorse Financial Group, Inc. (OK)	Benefit Bank (AR)
Glacier Bancorp, Inc. (MT)	Montana Community Banks, Inc. (MT)
ServisFirst Bancshares, Inc. (AL)	Metro Bancshares, Inc. (GA)
First Busey Corporation (IL)	Herget Financial Corp. (IL)
Investor group	Northfield Bancshares, Inc. (MN)
American National Bankshares Inc. (VA)	MainStreet BankShares, Inc. (VA)
Little London Bancorp Inc. (CO)	5Star Bank (CO)
Community & Southern Holdings, Inc. (GA)	Alliance Bancshares, Inc. (GA)
Southern Missouri Bancorp, Inc. (MO)	Peoples Service Company (MO)
Franklin Financial Network, Inc. (TN)	MidSouth Bank (TN)
Northrim BanCorp, Inc. (AK)	Alaska Pacific Bancshares, Inc. (AK)
Croghan Bancshares, Inc. (OH)	Indebancorp (OH)
Texas State Bankshares, Inc. (TX)	Border Capital Group, Inc. (TX)
CrossFirst Holdings, LLC (KS)	Tulsa National Bancshares, Inc. (OK)
New Hampshire Thrift Bancshares, Inc. (NH)	Central Financial Corporation (VT)
Southern BancShares (N.C.), Inc. (NC)	Heritage Bancshares, Inc. (NC)

For each precedent transaction, Hovde compared the implied ratio of deal value to certain financial characteristics of AEB as follows:

- the multiple of the purchase consideration to the acquired company's tangible common book value (the "Price-to-Tangible Common Book Value Multiple");
- the multiple of the purchase consideration to the acquired company's last twelve months net earnings per share (the "Price-to-LTM Earnings Multiple"); and
- the multiple of the difference between the purchase consideration and the acquired company's tangible book value to the acquired company's core deposits (the "Premium-to-Core Deposits Multiple").

The results of the analysis are set forth in the table below. Transaction multiples for the merger were derived from the estimated per share purchase price of \$5.50, which implied an aggregate merger consideration of \$27.1 million for AEB and was based on September 30, 2015 financial results of AEB.

Implied Value for AEB Based On:	Price-to-Tangible Common Book Value Multiple	Price-to-LTM Earnings Multiple	Premium-to-Core Deposits Multiple
Merger Consideration	140.6%	39.2x	6.1%
Precedent Transactions Regional Group:	120.0%	20.4x	4.9%

Median

Precedent Transactions

Nationwide Group: 117.0% 21.4x 2.3%

Median

38

TABLE OF CONTENTS

Using publicly available information, Hovde compared the financial performance of AEB with that of the median of the precedent transactions from the Regional Group and Nationwide Group. The performance highlights are based on September 30, 2015 financial results of AEB.

	Tangible Equity/Tangible Assets	Core Deposits	LTM ROAA(1)	LTM ROAE(2)	Efficiency Ratio	NPAs/ Assets	ALLL/ NPLs(3)
AEB	9.40%	73.72%	0.59%	6.53%	82.75%	4.07%	23.31%
Precedent Transactions Regional Group: Median	10.77%	77.20%	0.59%	4.67%	83.33%	2.03%	82.82%
Precedent Transactions Nationwide Group: Median	11.15%	83.59%	0.46%	3.74%	84.30%	2.57%	47.17%

(1)
Return on Average Assets

(2)
Return on average equity

(3)
Allowance for loan and lease losses as a percentage of nonperforming loans

No company or transaction used as a comparison in the above transaction analyses is identical to AEB, and no transaction was consummated on terms identical to the terms of the Agreement. Accordingly, an analysis of these results is not strictly mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies.

Income Approach — Discounted Cash Flow Analysis. Taking into account various factors including, but not limited to, AEB's recent performance, the current banking environment and the local economy in which AEB operates, Hovde determined, in consultation with and based on information provided by management of AEB, earnings estimates for AEB over a forward looking five-year period, and AEB management developed the forward-looking projections and key assumptions, which formed the basis for the discounted cash flow analyses. To determine present values of AEB based on these projections, Hovde utilized three discounted cash flow models, each of which capitalized terminal values using a different methodology: (1) terminal growth model ("DCF Terminal Growth Model"); (2) terminal price/earnings multiple ("DCF Terminal P/E Multiple"); and (3) terminal price/tangible book value multiple ("DCF Terminal P/TBV Multiple").

For the DCF Terminal Growth Model, an estimated value per fully diluted share of AEB's common stock was calculated based on the present value of AEB's after-tax future free cash flows based on AEB management's forward-looking projections. Hovde utilized a terminal value at the end of 2020 based on AEB's earnings increasing perpetually thereafter, assuming a range of perpetuity growth rates of 2.0% to 4.0%. A range of discount rates between 12.0% and 15.0% were used to determine the present value of the free cash flows plus the terminal value. These rates were chosen to reflect different assumptions regarding the required rates of return of holders or prospective buyers of AEB's common stock. The resulting values of the DCF Terminal Growth Model ranged between \$1.67 and \$2.98 per fully diluted share, with a midpoint of \$2.17 per fully diluted share.

In the DCF Terminal P/E Multiple analysis, the same earnings estimates were used; however, in arriving at the terminal value of AEB's projected earnings at the end of 2020, Hovde applied a range of price-to-earnings multiples of

19.4x to 23.4x, with a midpoint of 21.4x, which is the median price-to-earnings multiple derived from transactions in the Nationwide Group. The present value of AEB's projected dividends, if any, plus the terminal value was then calculated assuming a range of discount rates between 12.0% and 15.0%. The resulting values of the DCF Terminal P/E Multiple ranged between \$3.70 and \$5.13 per fully diluted share, with a midpoint of \$4.37 per fully diluted share. In the DCF Terminal P/TBV Multiple model, the same earnings estimates and projected dividends were used; however, in arriving at the terminal value at the end of 2020, Hovde applied a range of price-to-tangible book value multiples of 0.97x to 1.37x with the midpoint being 1.17x, which is the median price-to-tangible book value multiple derived from transactions in the Nationwide Group. The present

39

TABLE OF CONTENTS

value of projected dividends, if any, plus the terminal value, was then calculated assuming a range of discount rates between 12.0% and 15.0%. The resulting values of the DCF Terminal P/TBV Multiple ranged between \$2.61 and \$4.22 per fully diluted share, with a midpoint of \$3.36 per fully diluted share.

These analyses and their underlying assumptions yielded a range of values for AEB, which are outlined in the table below:

Implied value for AEB Based On:	Price-to-Tangible Book Value Multiple	Price-to-LTM Earnings Multiple	Premium-to-Core Deposits Multiple
Merger Consideration	140.6%	39.2x	6.1%
DCF Analysis – Terminal Growth Model Midpoint	54.2%	15.1x	(6.8%)
DCF Analysis – Terminal P/E Multiple Midpoint	111.3%	31.0x	1.7%
DCF Analysis – Terminal P/TBV Multiple Midpoint	85.1%	23.7x	(2.22)%

Hovde noted that while the discounted cash flow present value analysis is a widely used valuation methodology, it relies on numerous assumptions, including asset and earnings growth rates, projected dividend payouts, terminal values and discount rates. Hovde's analysis does not purport to be indicative of the actual values or expected values of AEB's common stock.

Fidelity Comparable Companies Analysis: Hovde used publicly available information to compare selected financial and trading information for Fidelity and a group of 18 publicly-traded financial institutions selected by Hovde which was based on active publicly-traded acquirers in the state of Florida:

Ameris Bancorp	IBERIABANK Corporation
BancorpSouth, Inc.	National Commerce Corp.
Bank of the Ozarks, Inc.	Renasant Corporation
BankUnited, Inc.	Seacoast Banking Corp.
Capital Bank Financial Corp.	ServisFirst Bancshares, Inc.
CenterState Banks, Inc.	Stonegate Bank
FCB Financial Holdings	Trustmark Corporation
Hancock Holding Company	United Community Banks
Home Bancshares, Inc.	Valley National Bancorp

The analysis compared publicly available financial and market trading information for Fidelity and the data for the 18 financial institutions identified above as of and for the most recent three-month period which was publicly available. The table below compares the data for Fidelity and the data for the 18 financial institutions identified above, with pricing data as of October 22, 2015.

	Market Cap (\$Millions)	Price/Tangible Book Value	Price/ LTM EPS	Price/ 2016E EPS	Dividend Yield	YTD/ Price Change	Two Year Total Return
Fidelity	\$475.0	162.5%	12.2x	12.1x	1.94%	28.1%	47.6%
Comparable Companies: Median	\$1,426.7	176.9%	18.8x	14.6x	1.40%	11.8%	31.4%

Accretion/Dilution Analysis: Hovde performed pro forma merger analyses that combined projected income statement and balance sheet information of AEB and Fidelity. Assumptions regarding the accounting treatment, acquisition adjustments and cost savings were used to calculate the financial impact that the merger would have on certain projected financial results of Fidelity. In the course of this analysis, Hovde used earnings estimates provided by AEB's management for AEB for the years ending December 31, 2016, December 31, 2017 and December 31, 2018

and used the same two projection estimates as described above in the discounted cash flow analysis for earnings estimates for Fidelity for the years ending
40

TABLE OF CONTENTS

December 31, 2016, December 31, 2017 and December 31, 2018. This analysis indicated that the merger is expected to be accretive to Fidelity's estimated earnings per share in 2016. The analysis also indicated that in both scenarios the merger is expected to be slightly dilutive to tangible book value per share for Fidelity at the time of closing and that Fidelity would maintain capital ratios in excess of those required for Fidelity to be considered well-capitalized under existing regulations. For all of the above analyses, the actual results achieved by AEB and Fidelity prior to and following the merger will vary from the projected results, and the variations may be material.

Other Factors and Analyses. Hovde took into consideration various other factors and analyses, including but not limited to: current market environment; merger and acquisition environment; movements in the common stock valuations of selected publicly-traded banking companies; and movements in the S&P 500 Index.

Conclusion. Based upon the foregoing analyses and other investigations and assumptions set forth in its opinion, without giving specific weightings to any one factor or comparison, Hovde determined that the merger consideration to be paid in connection with the merger is fair from a financial point of view to AEB's shareholders. Each shareholder is encouraged to read Hovde's fairness opinion in its entirety. The full text of this fairness opinion is included as Appendix C to this proxy statement.

41

TABLE OF CONTENTS

INFORMATION ABOUT FIDELITY SOUTHERN CORPORATION

General

Financial and other information about Fidelity is set forth in Fidelity's Annual Report on Form 10-K for the year ended December 31, 2014 (which includes certain provisions of Fidelity's Proxy Statement for its 2015 annual meeting) and Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2015, June 30, 2015 and September 30, 2015, each of which is incorporated herein by reference.

Securities

The following is a brief description of the terms of Fidelity's capital stock. This summary does not purport to be complete in all respects. This description is subject to and qualified in its entirety by reference to the Georgia Business Corporation Code, federal law, Fidelity's amended and restated articles of incorporation, as amended, and Fidelity's bylaws, as amended. Copies of the amended and restated articles of incorporation, as amended, and bylaws, as amended, have been filed with the SEC and are also available upon request from Fidelity.

Common Stock

General. Fidelity's amended and restated articles of incorporation, as amended, authorize the issuance of 60,000,000 shares, consisting of 50,000,000 shares of common stock, without par value per share. As of December 22, 2015, 23,135,936 shares of common stock were outstanding. Fidelity's common stock is listed on the Nasdaq Global Select Market under the symbol "LION". Outstanding shares of Fidelity's common stock are validly issues, fully paid and non-assessable.

Voting Rights. Holders of Fidelity's common stock are entitled to one vote for each share that they hold. Shares of Fidelity's common stock have no cumulative voting rights.

Dividends and Repurchases. Holders of Fidelity's common stock are entitled to receive such dividends as its board of directors may, in its discretion, legally declare, subject to the dividend rights of any outstanding series of preferred stock and certain provisions described below under "Anti-Takeover Provisions". Any shares of preferred stock issued by Fidelity will have preference over its common stock with respect to the payment of dividends and the distribution of assets in the event of Fidelity's liquidation or dissolution.

Rights upon Liquidation or Dissolution. Subject to the preferential rights of any other shares or series of capital stock, if Fidelity dissolves, liquidates or winds up its affairs, either voluntarily or involuntarily, holders of its common stock will be entitled to share ratably in our assets legally available for distribution to those holders after the satisfaction of, or provision for, all of our debts and liabilities.

No Preemptive, Conversion or Redemption Rights. Holders of shares of Fidelity's common stock do not have preemptive rights to subscribe for any new or additional securities, including shares of common stock that it may offer or sell or issue in the future. Holders of shares of common stock have no conversion, exchange or sinking fund rights. Shares of Fidelity's common stock are not redeemable at its option or at the option of the holders of shares of common stock.

Shareholder Liability. All of Fidelity's outstanding shares of common stock are fully paid and non-assessable. Under the Georgia Business Corporation Code, shareholders generally are not personally liable for a corporation's acts or debts.

Anti-Takeover Provisions

The provisions of Fidelity's amended and restated articles of incorporation, as amended, bylaws, as amended, and Tax Benefits Preservation Plan summarized in the following paragraphs may have anti-takeover effects and may delay, defer or prevent a tender offer or takeover attempt that a shareholder might consider to be in the shareholder's best interest, including those attempts that might result in a premium over the market price for the shares held by shareholders, and may make removal of management more difficult. Applicable federal and state laws may also restrict such tender offers or takeovers.

TABLE OF CONTENTS

Board Discretion to Oppose Tender Offer. Fidelity's amended and restated articles of incorporation, as amended, provide that its board of directors may, if it deems advisable, oppose a tender or other offer, and take any lawful action to accomplish its purpose. In considering whether to oppose a tender offer, the board may, but is not legally obligated to consider any pertinent issues, and may determine, consistent with its fiduciary duties, to take action such as advising shareholders not to accept an offer, litigation against the offeror, filing complaints with governmental and regulatory authorities, acquiring our securities, selling or otherwise issuing authorized but unissued securities or granting options, acquiring another company, and soliciting an offer from another person.

Supermajority Required for Certain Transactions. Fidelity's amended and restated articles of incorporation, as amended, require that any merger, liquidation or dissolution of Fidelity, or any action that would result in the same, or other disposition of all or substantially all of its assets (other than certain security or pledging arrangements), requires approval by affirmative vote of the holders of at least sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the issued and outstanding shares then entitled to vote on such matters.

Authorized but Unissued Stock. The authorized but unissued shares of common stock and preferred stock will be available for future issuance without shareholder approval, subject to applicable Nasdaq rules. These additional shares may be used for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of authorized but unissued and unreserved shares of common stock and preferred stock may enable Fidelity's board of directors to issue shares to persons aligned with current management, which could render more difficult or discourage any attempt to obtain control of the company by means of a proxy contest, tender offer, merger or otherwise, and thereby protect the continuity of its management.

Number of Directors. Fidelity's bylaws, as amended, provide that, generally, the number of directors may not consist of fewer than three or more than 24 members. Fidelity's shareholders fix the number of directors at each annual meeting; provided that the shareholders may, by affirmative vote of the holders of a majority of the shares entitled to vote in an election of directors, increase or decrease the number of directors and add or remove directors with or without cause at any time. Fidelity's board of directors may, by its action, increase the number of directors by two and elect directors to fill those vacancies, so long as the total number of directors does not exceed 24.

Certain Anti-Takeover Effects of Georgia Law. Fidelity has elected in its bylaws, as amended, to be subject to the Business Combination provisions of the Georgia Business Corporation Code. Under the Business Combination provisions, Fidelity is generally prohibited from entering into business combination transactions with any "interested shareholder" for a five-year period following the time that such shareholder became an interested shareholder unless:

- prior to such time, the board of directors approved either the business combination or the transaction in which the shareholder became an interested shareholder;

- in the transaction that resulted in the shareholder becoming an interested shareholder, the interested shareholder became the beneficial owner of at least 90% of the outstanding voting stock of the corporation which was not held by directors, officers, their affiliates or associates, subsidiaries or specified employee stock plans of the corporation; or

- after becoming an interested shareholder, that shareholder acquired additional shares resulting in that shareholder owning at least 90% of the outstanding voting stock of the corporation, excluding shares held by directors, officers, their affiliates or associates, subsidiaries or specified employee stock plans of the corporation, and the business combination was approved by a majority of voting stock not held by the interested shareholder, directors, officers, their affiliates or associates, subsidiaries or specified employee stock plans of the corporation.

Under the Georgia Business Corporation Code, repeal of Fidelity's bylaws, as amended, subjecting Fidelity to this provision requires the affirmative vote of (i) at least two-thirds of the continuing directors, (ii) a majority of the shares of Fidelity other than shares beneficially owned by any interested shareholder and affiliates and associates of any interested shareholder, and (iii) 66 $\frac{2}{3}$ % of the voting power of the then outstanding shares of Fidelity's common stock and preferred stock voting together, to the extent shares of preferred stock have been afforded voting rights. A

“continuing director” means (x) any director who is not

43

TABLE OF CONTENTS

an affiliate or associate of an interested shareholder or its affiliates other than Fidelity or its subsidiaries and who was a director prior to the date the shareholder became an interested shareholder, and (y) any successor to that director who is not an affiliate or associate of an interested shareholder or its affiliates other than Fidelity or its subsidiaries and who is recommended or elected by a majority of all the continuing directors. An “interested shareholder” includes any person other than Fidelity or its subsidiaries that (A) with its affiliates, beneficially owns or has the right to own 10% or more of the outstanding voting power of Fidelity, or (B) is an affiliate of Fidelity and has, at any time within the preceding two-year period, been the beneficial owner of 10% or more of the voting power of Fidelity.

Preferred Stock

General. Fidelity’s board of directors is authorized to issue up to 10,000,000 shares of preferred stock, in one or more series, without shareholder approval. In connection with any such issuance, the board of directors may by resolution determine the designation, voting rights, preferences as to dividends, in liquidation or otherwise, participation, redemption, sinking fund, conversion, dividend or other special rights or powers, and the limitations, qualifications and restrictions of such shares of preferred stock. Of such authorized number of shares of preferred stock, (i) 48,200 shares of Series A Preferred Stock are authorized, with no shares issued and outstanding, and; (ii) 1,000 shares of Series B Participating Cumulative Preferred Stock are authorized, with no shares issued and outstanding.

Series A Preferred Stock. The Series A Preferred Stock is non-voting, except in limited circumstances. In the event that Fidelity does not pay dividends on the Series A Preferred Stock for six dividend periods, whether or not consecutive, the size of its board of directors will automatically be increased by two and the holders of the Series A Preferred Stock have the right to elect two directors to fill such newly created directorships at the next annual meeting and at each subsequent annual meeting until all accrued and unpaid dividends for all past dividend periods, including the latest completed dividend period, on all outstanding shares of Series A Preferred Stock have been declared and paid in full. The foregoing description of the Series A Preferred Stock is qualified in its entirety by reference to the articles of amendment to the amended and restated articles of incorporation designating such series.

Series B Participating Cumulative Preferred Stock. Fidelity’s board of directors created a series of 1,000 shares of Series B Participating Cumulative Preferred Stock in connection with a tax benefits preservation plan. No shares of the Series B Participating Cumulative Preferred Stock are outstanding, and the plan has terminated.

Preferred Stock Fidelity May Offer. Prior to the issuance of a new series of preferred stock, Fidelity will amend its amended and restated articles of incorporation, as amended, by filing articles of amendment that will designate the number of shares of that series and the terms of that series. The issuance of any preferred stock could adversely affect the rights of the holders of common stock or other series of preferred stock and, therefore, reduce the value of the common stock or preferred stock. The ability of Fidelity’s board of directors to issue preferred stock could discourage, delay or prevent a takeover or other corporate action.

The terms of any particular series of preferred stock will be described in the prospectus supplement relating to that particular series of preferred stock, including, where applicable:

- the designation, stated value and liquidation preference of such preferred stock and the number of shares offered;
- the offering price;
- the dividend rate or rates (or method of calculation), the date or dates from which dividends shall accrue, and whether such dividends shall be cumulative or noncumulative and, if cumulative, the dates from which dividends shall commence to cumulate, and redemption or sinking fund provisions;
- the amount that shares of such series shall be entitled to receive in the event of our liquidation, dissolution or winding-up;

TABLE OF CONTENTS

- the terms and conditions, if any, on which shares of such series shall be convertible or exchangeable for shares of stock of any other class or classes, or other series of the same class;
- the voting rights, if any, of shares of such series;
- the status as to reissuance or sale of shares of such series redeemed, purchased or otherwise reacquired, or surrendered to Fidelity on conversion or exchange;
- the conditions and restrictions, if any, on the payment of dividends or on the making of other distributions on, or the purchase, redemption or other acquisition by Fidelity or any subsidiary, of the common stock or of any other class of our shares ranking junior to the shares of such series as to dividends or upon liquidation; and
- any additional dividend, liquidation, redemption, sinking or retirement fund and other rights, preferences, privileges, limitations and restrictions of such preferred stock.

Unless otherwise specified in the applicable prospectus supplement, each series of preferred stock will, upon issuance, rank senior to the common stock and on a parity in all respects with each other outstanding series of preferred stock. The rights of the holders of Fidelity's preferred stock will be subordinate to those of our general creditors. The description of any series of preferred stock that may be issued is qualified by reference to the provisions of the applicable certificate of amendment establishing the terms of such series.

Transfer Agent

The transfer agent and registrar for Fidelity's common stock is Computershare, 480 Washington Boulevard, Jersey City, New Jersey 07310-1900.

TABLE OF CONTENTS

INFORMATION ABOUT AMERICAN ENTERPRISE BANKSHARES, INC.

General — American Enterprise Bankshares, Inc.

American Enterprise Bankshares, Inc. was formed under the laws of the State of Florida in 2005. AEB is registered as a bank holding company under the Federal Reserve Act, and as a result, its activities are subject to the supervision of the Federal Reserve Board. It is contemplated that AEB may seek to enter businesses closely related to banking or to acquire existing businesses already engaged in such activities. Any acquisition by AEB will require prior approval of the Federal Reserve Board and, in some instances, other regulatory agencies.

AEB is in competition with those banks and other financial institutions that compete with American Enterprise Bank of Florida. In addition, in attempting to acquire other permissible entities, and engaging in activities closely related to banking, AEB competes with other bank holding companies, many of which have far greater assets and financial resources than AEB and whose common stock may be more widely traded than that of AEB.

General — American Enterprise Bank of Florida

American Enterprise Bank of Florida is an independent and locally oriented commercial bank headquartered in Jacksonville, Florida. American Enterprise Bank of Florida provides a full range of banking and related financial services with a focus on service to individual clients, small business, and mortgage banking for its clients. The general banking business conducted includes the receipt of deposits, making of loans, issuance of checks, acceptance of drafts, consumer credit operations, and all aspects of a full service bank.

Property

The branch offices of American Enterprise Bank of Florida are presently located at 10611 Deerwood Park Boulevard, Jacksonville, Florida and 839 South 5th Street, Macclenny, Florida.

Competition

All phases of American Enterprise Bank of Florida's business are highly competitive. American Enterprise Bank of Florida is subject to intense competition from various financial institutions and other companies or firms that offer financial services. American Enterprise Bank of Florida competes for deposits with other commercial banks, savings institutions, credit unions and issuers of commercial paper and other securities, such as money-market and mutual funds. In making loans, American Enterprise Bank of Florida competes with other commercial banks, savings and loan associations, consumer finance companies, credit unions, leasing companies, and other lenders. Based on the June 30, 2015 Federal Deposit Insurance Corporation Report of Deposits, American Enterprise Bank of Florida ranked 18th (out of 30) in market share and held 0.28% of Duval County deposits. In Baker County, American Enterprise Bank of Florida ranked 3rd (out of 4) in market share and holds 24.99% of Baker County deposits.

Government Regulation and Control

AEB and American Enterprise Bank of Florida are subject to extensive governmental regulation and control. Compliance with state and federal banking laws has a material effect on the business and operations of Enterprise Bank of Florida. The operation of Enterprise Bank of Florida is at all times subject to state and federal banking laws, regulations, and procedures, and Enterprise Bank of Florida is subject to regulation by the Federal Deposit Insurance Corporation.

Employees

AEB and American Enterprise Bank of Florida currently employ 39 people on a full-time basis and 6 people on a part-time basis. Bennett Brown serves as President of AEB and American Enterprise Bank of Florida.

TABLE OF CONTENTS

MANAGEMENT

Security Ownership of Management Personnel and Certain Beneficial Owners

The following table sets forth information regarding beneficial ownership of the voting securities of AEB by the executive officers, directors, and 5% or more shareholders of AEB. Unless otherwise indicated, the address of each person or entity named in the table is c/o American Enterprise Bankshares, Inc., 10611 Deerwood Park Boulevard, Jacksonville, FL 32256. Beneficial ownership includes any shares as to which the individual has sole or shared voting power or investment power and any shares as to which the individual has the right to acquire beneficial ownership within 60 days of November 30, 2015 through the exercise of stock options or conversion of AEB's subordinated debentures. The inclusion in the following table of those shares, however, does not constitute an admission that the named shareholder is a direct or indirect beneficial owner of those shares.

Name	Position with AEB and American Enterprise Bank of Florida (Bank)	Principal Occupation	Total Number of Shares	Percentage
Steven N. Bacalis	Director	Tom Nehl Truck Company	55,956(1)	1.83%
Jeff Bogan	Director	JSB Holdings	—	—
Bennett Brown	Director, President and Chief Executive Officer of AEB and Bank	Banker	126,498(2)	4.14%
Joel C. Chamberlain, CPA	Director	GunnChamberlain, P.L.	18,695	0.61%
James E. England, PE	Director	Professional Engineer	117,890(3)	3.83%
David Kight	Director	Akida Holdings, LLC	10,000	0.33%
Jim Linn	Director	ERA Davis & Linn	26,166	0.86%
Clay Lyons, CPA	Director	Lyons and Lyons, CPAs	5,700	0.19%
Richard C. Martin	Director, Senior Vice President of the Bank	Banker	41,784	1.37%
F. Sutton McGehee, Jr.	Chairman of the Board	Chairman & CEO, MAC Papers	210,000(4)	6.87%
V. Hawley Smith, Jr.	Director	Owner, H. Smith, Inc.	58,579	1.92%
Vernon A. LaFaye, CPA	Former Director	The LBA Group	295,109(5)	9.47%
T. Edwin Stinson, Jr.	Chief Financial Officer of AEB and Bank	Banker	10,122(6)	0.33%
Jodi C. Bowen	Senior Vice President of Bank	Banker	3,500(7)	0.11%
N. Lamar Kaleel	Senior Vice President of Bank	Banker	20,122(8)	0.66%
Carlton H. Spence 4592 Mariner Point Drive Jacksonville, FL 32225	—	Investor	251,463(9)	7.99%

Raymond P. Basso 7610 Hollyridge Road Jacksonville, FL 32256	—	Investor	457,317(10)	13.02%
All Directors and Executive Officers as a Group			1,000,101(11)	31.54%

(1)
Includes 7,622 shares that Mr. Bacalis has the right to acquire through the conversion of debentures.

(2)
Includes 116,346 shares jointly owned with Mr. Brown's spouse, 3,152 shares owned by Mr. Brown's spouse, and 7,000 shares held in Mr. Brown's IRA.

(3)
Includes 24,390 shares that Mr. England has the right to acquire through the conversion of debentures.

TABLE OF CONTENTS

(4)

Includes 120,000 shares held in Mr. McGehee's Trust, 30,000 shares held by ADM Family, Ltd., 30,000 shares held by JAM Family Investment, Ltd., and 30,000 shares held by MRM Family, Ltd.

(5)

Includes 230,645 shares held in Mr. LaFaye's Trust, 3,488 shares held by Mr. LaFaye's spouse and 60,979 shares that a third party trust for which Mr. LaFaye is trustee has the right to acquire through conversion of debentures.

(6)

Includes 2,500 shares issuable upon the exercise of stock options and 7,622 shares that Mr. Stinson has the right to acquire through conversion of debentures.

(7)

Includes 1,000 shares held jointly with Ms. Bowen's spouse and 2,500 shares issuable upon the exercise of stock options.

(8)

Includes 10,000 shares held in Mr. Kaleel's IRA, 2,500 shares issuable upon the exercise of stock options and 7,622 shares that Mr. Kaleel's IRA has the right to acquire through conversion of debentures.

(9)

Includes 160,000 shares held in the name of Carlton H. Spence Revocable Trust and 91,463 shares that Mr. Spence and his spouse have the right to acquire through conversion of debentures.

(10)

Includes 457,317 shares that Mr. Basso's Trust has the right to acquire through conversion of debentures.

(11)

Includes 7,500 shares issuable upon the exercise of stock options and 108,232 shares issuable through conversion of debentures for the Directors and Executive Officers.

No director or officer is related to any other director or officer. No director or officer is a director or executive officer of another bank holding company, bank, savings and loan association, or credit union.

AEB's board of directors currently consists of eleven directors, each serving for one-year terms. At each special meeting of shareholders, successors to each director whose term expires at such meeting are elected to serve for one-year terms or until their successors are duly elected and qualified. AEB's board of directors has the power to appoint the officers of AEB. Each officer holds office for such term as may be prescribed by the board of directors and until such person's successor is chosen and qualified or until such person's death, resignation or removal.

Limitation of Director Liability

AEB's bylaws provide that the personal liability of a director of AEB for any proceeding involving the director, by reason of the fact that he or she is or was a director of AEB or is or was serving at the request of AEB as a director of another corporation, partnership, joint venture, trust, or other enterprise against liability incurred in connection with such proceeding, including any appeal thereof, to the extent such director acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of AEB and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. In addition, certain provisions are provided in the bylaws of AEB by which directors will not be indemnified for certain acts.

AEB believes this provision assists in securing the services of directors who are not employees of AEB. As a result of the inclusion of such a provision, shareholders may be unable to recover monetary damages against directors for actions taken by them which constitute negligence or gross negligence or which are in violation of their fiduciary duties, although it may be possible to obtain injunctive or other equitable relief with respect to such actions. If

equitable remedies are found not to be available to shareholders for any particular case, shareholders may not have any effective remedy against the challenged conduct.

Certain Transactions with Management

Banking transactions with directors, officers, and employees may be performed in the ordinary course of business. Any extensions of credit to these individuals will be made on the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons and will not involve more than the normal risk of repayment. The aggregate amount of all extensions of credit to all executive officers, directors, principal shareholders and their related interests as of November 30, 2015, was \$896,000.

48

TABLE OF CONTENTS

The officers and directors are required to devote only so much of their time to the business of AEB and American Enterprise Bank of Florida as in their judgment is reasonably required. The officers and directors, and their affiliates, may engage, and are presently engaging, for their own accounts in other business ventures, including management and the formation of other corporations or ventures. Such activities may result in conflicts of interest.

Director Compensation

Each director of AEB and American Enterprise Bank of Florida receives \$100.00 for each board meeting he attends, and \$50.00 for each committee meeting he attends. During 2014, AEB and American Enterprise Bank of Florida paid \$17,600 in directors' fees.

49

TABLE OF CONTENTS

INTEREST OF CERTAIN PERSONS IN THE MERGER

Interests of executive officers and directors of AEB in the proposed merger are discussed above under the heading “Details of the Proposed Merger-Interests of the Directors and Officers of AEB in the Merger”, at page 23.

LEGAL MATTERS

Troutman Sanders LLP, counsel to Fidelity, has provided an opinion as to the legality of the Fidelity common stock to be issued in connection with the merger.

The discussion set forth in “Details of the Proposed Merger — Material Federal Income Tax Consequences of the Merger and Opinion of Tax Counsel” beginning on page 31 is the opinion of Troutman Sanders LLP, counsel to Fidelity, and Smith, Gambrell & Russell, LLP, counsel to AEB.

EXPERTS

Ernst & Young LLP, independent registered public accounting firm, has audited our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2014, and the effectiveness of our internal control over financial reporting as of December 31, 2014, as set forth in their reports, which are incorporated by reference in this prospectus and elsewhere in the registration statement. Our financial statements and our management’s assessment of the effectiveness of internal control over financial reporting as of December 31, 2014 are incorporated by reference in reliance on Ernst & Young LLP’s reports, given on their authority as experts in accounting and auditing.

OTHER MATTERS

Management of AEB knows of no other matters which may be brought before the special shareholders’ meeting. If any matter other than the proposed merger or related matters should properly come before the special meeting, however, the persons named in the enclosed proxies will vote proxies in accordance with their judgment on those matters.

WHERE YOU CAN FIND MORE INFORMATION

Fidelity is subject to the information requirements of the Securities Exchange Act of 1934, which means that it is required to file certain reports, proxy statements, and other business and financial information with the SEC. You may read and copy any materials that Fidelity files with the SEC at the Public Reference Room of the SEC at 100 F. Street N.E., Washington, D.C. 20549. You may also obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains a website at <http://www.sec.gov> where you can access reports, proxy, information and registration statements, and other information regarding registrants that file electronically with the SEC. Such filings are also available at Fidelity’s website at <http://www.lionbank.com>. Except as specifically incorporated by reference into this document, information on Fidelity’s website or filed with the SEC is not part of this document.

Fidelity has filed a registration statement on Form S-4 to register the Fidelity common stock to be issued to you in the merger. These materials are a part of that registration statement and constitute a prospectus of Fidelity in addition to being a proxy statement of AEB for the special meeting of AEB shareholders to be held on January 29, 2016, as described herein. As allowed by SEC rules, these materials do not contain all of the information you can find in the registration statement or the exhibits to the registration statement. These materials summarize some of the documents that are exhibits to the registration statement, and you should refer to the exhibits for a more complete description of the matters covered by those documents.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

This document incorporates important business and financial information about Fidelity that is not included in or delivered with these materials. The following documents previously filed by Fidelity under the Securities Exchange Act of 1934 are incorporated herein by reference:

TABLE OF CONTENTS

- Fidelity's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 (which incorporates certain portions of Fidelity's Proxy Statement for the 2015 Special meeting);

- Fidelity's Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2015, June 30, 2015 and September 30, 2015;

- Fidelity's Current Reports on Form 8-K filed January 16, 2015, April 17, 2015, April 29, 2015, May 21, 2015, June 3, 2015, July 17, 2015, September 14, 2015, October 6, 2015, October 16, 2015 and October 27, 2015;

- All other reports filed by Fidelity pursuant to Sections 13(a) or 15(d) of the Securities Exchange Act of 1934 since December 31, 2014 and prior to the date the merger is completed; and

- All documents subsequently filed pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 prior to the date the merger is completed.

Documents incorporated by reference are available from Fidelity without charge, excluding all exhibits, unless an exhibit has been specifically incorporated by reference. You may obtain documents incorporated by reference by requesting them in writing or by telephone from Investor Relations, Fidelity Southern Corporation, at 3490 Piedmont Road, Suite 1550, Atlanta, Georgia 30305, telephone number (404) 639-6500. If you would like to request documents, please do so by January 22, 2016 to receive them before the special shareholders meeting.

All information concerning Fidelity and its subsidiaries has been furnished by Fidelity, and all information concerning AEB and its subsidiary has been furnished by AEB. You should rely only on the information contained or incorporated by reference in these materials in making a decision to vote on the merger. No person has been authorized to provide you with information that is different from that contained in these materials.

These materials are dated December 29, 2015. You should not assume that the information contained in these materials is accurate as of any date other than such date, and neither the mailing of these materials to shareholders nor the issuance of Fidelity common stock in the merger shall create any implication to the contrary.

These materials do not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is not lawful to make any such offer or solicitation in such jurisdiction. Neither the delivery of these materials nor any distribution of securities made hereunder shall, under any circumstances, create an implication that there has been no change in the affairs of Fidelity or AEB since the date hereof, or that the information herein is correct as of any time subsequent to its date.

TABLE OF CONTENTS

A WARNING ABOUT FORWARD-LOOKING STATEMENTS

These materials (and other documents to which they refer) contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 about Fidelity, AEB and their subsidiaries. These forward-looking statements are intended to be covered by the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical fact, and can be identified by the use of forward-looking terminology such as “believes”, “expects”, “may”, “will”, “could”, “should”, “projects”, “plans”, “goal”, “targets”, “potential”, “estimates”, “pro”, “intends”, or “anticipates” or the negative thereof or comparable terminology. Forward-looking statements include discussions of strategy, financial projections, guidance and estimates (including their underlying assumptions), statements regarding plans, objectives, expectations or consequences of various transactions, and statements about the future performance, operations, products and services of Fidelity and its subsidiaries after the proposed merger. Forward-looking statements involve risks, uncertainties, and assumptions, and certain factors could cause actual results to differ from results expressed or implied by the forward-looking statements, including, but not limited to the factors set forth in Fidelity’s Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as well as the following factors:

- competition from other companies that provide financial services similar to those offered by Fidelity and AEB;
- combining the businesses of Fidelity and AEB may cost more or take longer than expected;
- retaining key personnel of Fidelity and AEB may be more difficult than expected;
- revenues of the combined entity following the merger may be lower than expected, and the operating costs of the combined entity may be higher than expected; and
- expected cost savings resulting from the merger may not be fully realized, or may not be realized as soon as expected.

We believe these forward-looking statements are reasonable, but we caution that the foregoing list of factors is not exclusive and that you should not place undue reliance on these forward-looking statements, because the future results and shareholder values of Fidelity following completion of the merger may differ materially from those expressed or implied by these forward-looking statements. We do not intend to update any forward-looking statement, whether written or oral, relating to the matters discussed in these materials.

TABLE OF CONTENTS

Appendix A

AGREEMENT AND PLAN OF MERGER

by and between

AMERICAN ENTERPRISE BANKSHARES, INC.

and

FIDELITY SOUTHERN CORPORATION

October 26, 2015

TABLE OF CONTENTS

TABLE OF CONTENTS

	Page
<u>ARTICLE I MERGER</u>	<u>A-1</u>
<u>1.1</u>	
<u>The Merger</u>	<u>A-1</u>
.	
<u>1.2</u>	
<u>Merger Consideration</u>	<u>A-2</u>
.	
<u>1.3</u>	
<u>Closing</u>	<u>A-3</u>
.	
<u>1.4</u>	
<u>Articles of Incorporation and Bylaws of the Surviving Corporation</u>	<u>A-4</u>
.	
<u>1.5</u>	
<u>Directors of Surviving Corporation</u>	<u>A-4</u>
.	
<u>1.6</u>	
<u>Tax Free Reorganization</u>	<u>A-4</u>
.	
<u>1.7</u>	
<u>Bank Merger</u>	<u>A-4</u>
.	
<u>1.8</u>	
<u>Additional Actions</u>	<u>A-4</u>
.	
<u>ARTICLE II Other agreements</u>	<u>A-4</u>
<u>2.1</u>	
<u>Registration and Listing of Fidelity Common Stock</u>	<u>A-4</u>
.	
<u>2.2</u>	
<u>Meeting of AEB Shareholders</u>	<u>A-5</u>
.	
<u>2.3</u>	
<u>Dissenting Shareholders</u>	<u>A-5</u>
.	
<u>2.4</u>	
<u>Access to Properties, Books, Etc.</u>	<u>A-5</u>
.	
<u>2.5</u>	
<u>Confidentiality</u>	<u>A-5</u>
.	
<u>2.6</u>	
<u>Cooperation</u>	<u>A-6</u>
.	

<u>2.7</u> <u>Expenses</u>	<u>A-6</u>
<u>2.8</u> <u>Preservation of Goodwill</u>	<u>A-6</u>
<u>2.9</u> <u>Approvals and Consents</u>	<u>A-6</u>
<u>2.10</u> <u>Agreements by Executive Officers, Directors and Shareholders</u>	<u>A-6</u>
<u>2.11</u> <u>Press Releases</u>	<u>A-6</u>
<u>2.12</u> <u>Employee Benefits</u>	<u>A-6</u>
<u>2.13</u> <u>Directors' and Officers' Tail Coverage</u>	<u>A-7</u>
<u>2.14</u> <u>Indemnification</u>	<u>A-8</u>
<u>ARTICLE III representations and warranties OF AEB</u>	<u>A-8</u>
<u>3.1</u> <u>Disclosure Memorandum</u>	<u>A-8</u>
<u>3.2</u> <u>Corporate and Financial</u>	<u>A-9</u>
<u>3.3</u> <u>Business Operations</u>	<u>A-16</u>
<u>3.4</u> <u>Properties and Assets</u>	<u>A-19</u>
<u>3.5</u> <u>Employees and Benefits</u>	<u>A-20</u>
<u>3.6</u> <u>Other Matters</u>	<u>A-23</u>
<u>ARTICLE IV conduct of business of AEB pending closing</u>	<u>A-23</u>
<u>4.1</u> <u>Conduct of Business</u>	<u>A-23</u>

<u>4.2</u> <u>Maintenance of Properties</u>	<u>A-24</u>
.	
<u>4.3</u> <u>Insurance</u>	<u>A-24</u>
.	
<u>4.4</u> <u>Capital Structure</u>	<u>A-24</u>
.	
<u>4.5</u> <u>Dividends</u>	<u>A-24</u>
.	
<u>4.6</u> <u>Amendment of Articles of Incorporation or Bylaws; Corporate Existence</u>	<u>A-24</u>
.	
<u>4.7</u> <u>No Acquisitions</u>	<u>A-24</u>
.	
<u>4.8</u> <u>No Real Estate Acquisitions or Dispositions</u>	<u>A-24</u>
.	
<u>4.9</u> <u>Loans</u>	<u>A-24</u>
.	

TABLE OF CONTENTS

	Page
<u>4.10</u>	
<u>Banking Arrangements</u>	<u>A-24</u>
.	
<u>4.11</u>	
<u>Contracts</u>	<u>A-24</u>
.	
<u>4.12</u>	
<u>Books and Records</u>	<u>A-24</u>
.	
<u>4.13</u>	
<u>Taxes and Tax Returns</u>	<u>A-24</u>
.	
<u>4.14</u>	
<u>Advice of Changes</u>	<u>A-25</u>
.	
<u>4.15</u>	
<u>Reports</u>	<u>A-25</u>
.	
<u>4.16</u>	
<u>Benefit Plans and Programs: Severance or Termination Payments</u>	<u>A-25</u>
.	
<u>4.17</u>	
<u>Limitation on Discussion with Others</u>	<u>A-25</u>
.	
<u>ARTICLE V REPRESENTATIONS AND WARRANTIES OF Fidelity</u>	<u>A-26</u>
<u>5.1</u>	
<u>Corporate and Financial</u>	<u>A-26</u>
.	
<u>5.2</u>	
<u>Disclosure</u>	<u>A-26</u>
.	
<u>5.3</u>	
<u>Business Operations</u>	<u>A-27</u>
.	
<u>5.4</u>	
<u>Enforcement Actions</u>	<u>A-28</u>
.	
<u>5.5</u>	
<u>Approvals</u>	<u>A-28</u>
.	
<u>5.6</u>	
<u>Representations and Warranties</u>	<u>A-28</u>
.	
<u>5.7</u>	
<u>Other Matters</u>	<u>A-28</u>

<u>ARTICLE VI CONDITIONS TO OBLIGATIONS OF Fidelity</u>	<u>A-28</u>
<u>6.1</u> <u>Veracity of Representations and Warranties</u>	<u>A-28</u>
<u>6.2</u> <u>Performance of Agreements</u>	<u>A-28</u>
<u>6.3</u> <u>Compliance by AEB Executive Officers, Directors and Shareholders</u>	<u>A-28</u>
<u>6.4</u> <u>Certificates, Resolutions, Opinion</u>	<u>A-28</u>
<u>6.5</u> <u>Tax Opinion</u>	<u>A-29</u>
<u>6.6</u> <u>Accountants' Letter</u>	<u>A-29</u>
<u>6.7</u> <u>Memorandum of Understanding</u>	<u>A-29</u>
<u>ARTICLE VII CONDITIONS TO OBLIGATIONS OF AEB</u>	<u>A-30</u>
<u>7.1</u> <u>Veracity of Representations and Warranties</u>	<u>A-30</u>
<u>7.2</u> <u>Performance of Agreements</u>	<u>A-30</u>
<u>7.3</u> <u>Certificates, Resolutions, Opinion</u>	<u>A-30</u>
<u>7.4</u> <u>Tax Opinion</u>	<u>A-30</u>
<u>ARTICLE VIII CONDITIONS TO OBLIGATIONS OF BOTH PARTIES</u>	<u>A-30</u>
<u>8.1</u> <u>Shareholder Approval</u>	<u>A-30</u>
<u>8.2</u> <u>Regulatory Approvals</u>	<u>A-30</u>
<u>8.3</u> <u>No Injunctions or Restraints; Illegality</u>	<u>A-31</u>

<u>8.4</u> <u>Effective Registration Statement</u>	<u>A-31</u>
.	
<u>ARTICLE IX warranties and survival</u>	<u>A-31</u>
<u>9.1</u> <u>Warranties</u>	<u>A-31</u>
.	
<u>9.2</u> <u>Survival of Provisions</u>	<u>A-31</u>
.	
<u>ARTICLE X Termination</u>	<u>A-31</u>
<u>10.1</u> <u>Change in Fidelity Stock Price</u>	<u>A-31</u>
.	
<u>10.2</u> <u>Material Adverse Change</u>	<u>A-32</u>
.	
<u>10.3</u> <u>Noncompliance</u>	<u>A-32</u>
.	

TABLE OF CONTENTS

	Page
<u>10.4</u>	
<u>Failure to Disclose</u>	<u>A-33</u>
.	
<u>10.5</u>	
<u>Regulatory Approval</u>	<u>A-33</u>
.	
<u>10.6</u>	
<u>Termination Date</u>	<u>A-33</u>
.	
<u>10.7</u>	
<u>Shareholder Vote</u>	<u>A-33</u>
.	
<u>10.8</u>	
<u>Acquisition Proposal</u>	<u>A-33</u>
.	
<u>10.9</u>	
<u>Effect of Termination</u>	<u>A-33</u>
.	
<u>10.10</u>	
<u>Dissenters</u>	<u>A-33</u>
.	
<u>ARTICLE XI Miscellaneous</u>	<u>A-34</u>
<u>11.1</u>	
<u>Notices</u>	<u>A-34</u>
.	
<u>11.2</u>	
<u>Entire Agreement</u>	<u>A-34</u>
.	
<u>11.3</u>	
<u>Waiver; Amendment</u>	<u>A-34</u>
.	
<u>11.4</u>	
<u>Counterparts</u>	<u>A-34</u>
.	
<u>11.5</u>	
<u>No Third Party Beneficiaries</u>	<u>A-34</u>
.	
<u>11.6</u>	
<u>Binding Effect; Assignment</u>	<u>A-35</u>
.	
<u>11.7</u>	
<u>Governing Law</u>	<u>A-35</u>
.	
<u>11.8</u>	
<u>Jurisdiction</u>	<u>A-35</u>

.
11.9

Waiver of Jury Trial

A-35

.
11.10

Interpretation

A-35

TABLE OF CONTENTS

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this “Agreement”) is made and entered into as of this 26th day of October, 2015, by and between AMERICAN ENTERPRISE BANKSHARES, INC., a Florida corporation (“AEB” and, unless the context otherwise requires, the term “AEB” shall include AEB and its wholly-owned subsidiary bank, AMERICAN ENTERPRISE BANK OF FLORIDA, a Florida bank with its main office in Jacksonville, Florida (the “Bank”)), and FIDELITY SOUTHERN CORPORATION, a Georgia corporation (“Fidelity”).

WHEREAS, the respective boards of directors of AEB and Fidelity deem it advisable and in the best interests of each such entity and their respective shareholders that AEB merge with and into Fidelity (the “Merger”), with Fidelity being the surviving corporation;

WHEREAS, the respective boards of directors of AEB and Fidelity deem it advisable and in the best interests of each such entity and their respective shareholders that the Bank merge with and into Fidelity’s Georgia bank subsidiary, Fidelity Bank (“Fidelity Bank”), with Fidelity Bank being the surviving bank (the “Bank Merger”), all upon the terms hereinafter set forth and as set forth in the Agreement and Plan of Merger attached hereto as Exhibit A and incorporated herein by reference (the “Bank Merger Agreement”);

WHEREAS, the boards of directors of the respective entities believe that the merger of AEB and Fidelity and their subsidiary banks and the operating effectiveness and synergies produced thereby will enhance and strengthen the franchises and future prospects of both companies and each of the banks; and

WHEREAS, Fidelity and AEB intend, (i) for federal income tax purposes, that the Merger qualifies as a “reorganization” described in Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Code”); (ii) that this Agreement constitute a “plan of reorganization” within the meaning of Section 1.368-2(g) of the regulations promulgated under the Code; and (iii) that Fidelity and AEB will each be a “party to the reorganization” within the meaning of Section 368(a) of the Code;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and adequacy of which as legally sufficient consideration are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

MERGER

1.1

The Merger. Subject to the terms and conditions of this Agreement, at the Effective Time, AEB shall merge with and into Fidelity in accordance with Section 607.1101 of the Florida Business Corporation Act and Section 14-2-1101 of the Georgia Business Corporation Code (the “Georgia Code”). Upon consummation of the Merger, the separate corporate existence of AEB (sometimes referred to as the “Merged Corporation”) shall cease and Fidelity shall survive and continue to exist as a corporation incorporated under the Georgia Code (Fidelity, as the surviving entity in the Merger, sometimes being referred to herein as the “Surviving Corporation”) and shall continue under the name “Fidelity Southern Corporation”. The Surviving Corporation shall possess all of the rights, privileges, immunities, powers and franchises, as well of a public nature as of a private nature, of each of the Merged Corporation and the Surviving Corporation; and all property, real, personal and mixed, and all debts due on whatever account, and all other choses in action, and all and every other interest of or belonging to or due to each of the Merged Corporation and the Surviving Corporation shall be taken and deemed to be transferred to and vested in the Surviving Corporation without further act or deed, and the title to any real estate or any interest therein, vested in either of the Merged Corporation or the Surviving Corporation shall not revert or be in any way impaired by reason of the Merger. The Surviving Corporation shall thenceforth be responsible and liable for all the liabilities, obligations and penalties of each of the Merged Corporation and the Surviving Corporation; and any claim existing or action or proceeding, civil or criminal, pending by or against either of the Merged Corporation or the Surviving Corporation may be prosecuted as if the Merger had not taken place, or the Surviving Corporation may be substituted in its place, and any judgment rendered against either of the Merged Corporation or the Surviving Corporation may thenceforth be enforced against the Surviving Corporation; and neither the rights of creditors nor any liens upon the property of either of the Merged Corporation or the Surviving Corporation shall be impaired by the

TABLE OF CONTENTS

Merger. The “Effective Time” shall mean the date and time at which the Merger shall be effective upon the approval of this Agreement by the shareholders of the Merged Corporation and the filing of the articles of merger (the “Articles of Merger”) with the Georgia Secretary of State and Florida Secretary of State pursuant to Section 1.3.

1.2

Merger Consideration. Subject to the provisions of this Agreement, at the Effective Time, automatically by virtue of the Merger and without any action on the part of Fidelity, AEB or the shareholders of either of the foregoing:

(a)

Each share of Fidelity’s common stock, no par value per share, (“Fidelity Stock”) that is issued and outstanding immediately prior to the Effective Time shall remain outstanding following the Effective Time and shall be unchanged by the Merger.

(b)

The holders of common stock, \$3.00 par value per share, of AEB (“AEB Stock”), other than holders properly exercising their appraisal rights pursuant to Sections 607.1301 through 607.1333 of the Florida Business Corporation Act, shall receive, in exchange for each outstanding share of AEB Stock, the following number of shares of Fidelity Stock based on the Fidelity VWAP (as defined below) (individually, the “Per Share Purchase Price” and collectively, the “Merger Consideration”). Subject to any adjustments occurring after the date hereof as contemplated by Section 1.2(d) below, in the event that the Fidelity VWAP is:

(i)

equal to or greater than \$23.20, then the Merger Consideration shall equal .237 shares of Fidelity Stock;

(ii)

less than \$23.20 but greater than \$18.98, then the Merger Consideration shall equal the number of shares of Fidelity Stock determined by dividing \$5.50 by the Fidelity VWAP; or

(iii)

equal to or less than \$18.98, then the Merger Consideration shall equal .290 shares of Fidelity Stock (such ratio in any of (i), (ii) or (iii), the “Exchange Ratio”).

For purposes of this Agreement, “Fidelity VWAP” means the volume weighted average price of a share of Fidelity Stock for a twenty (20) trading day period, starting with the opening of trading on the twentieth (20th) trading day prior to the Effective Time and ending with the closing of trading on the last trading day prior to the Effective Time (as reported in The Wall Street Journal or, if not reported therein, in another authoritative source).

(c)

Also at the Effective Time, all rights with respect to AEB Stock pursuant to stock options (the “AEB Stock Options”) granted by AEB which are outstanding at the Effective Time, whether or not exercisable, shall be terminated by AEB and converted at the Effective Time, subject to any adjustments occurring after the date hereof as contemplated by Section 1.2(e) below, into an amount (computed to the nearest cent) per share of AEB Stock issuable upon the exercise of each such AEB Stock Option in cash, without interest, equal to the difference between (i) the exercise price per share of AEB Stock issuable pursuant to such AEB Stock Option and (ii) an amount as determined by multiplying the Exchange Ratio by the Fidelity VWAP. If such amount is a negative number, the AEB Stock Option shall be terminated without any payment therefor. Prior to the Effective Time, AEB shall (i) obtain any necessary consents or make any necessary amendments to the terms of any outstanding AEB Stock Options to give effect to the transactions contemplated by this Section 1.2(c), (ii) take all actions as may be necessary to terminate (and, except as provided in this Section 1.2(c), ensure that neither AEB nor the Bank remains bound by or liable for) any outstanding AEB Stock Options or other rights to acquire AEB Stock and (iii) ensure that any AEB plans, agreements or other arrangements which allow the grant of AEB Stock Options or other rights to acquire AEB Stock, if any, will be amended to eliminate the ability to grant any such AEB Stock Options or other rights to acquire AEB Stock effective

as of immediately after the Effective Time. All payments under this Section 1.2(c) shall be made at or as soon as administratively practicable (and within thirty (30) days) after the Effective Time, pursuant to the Company's ordinary payroll practices, and shall be subject to any applicable withholdings.

(d)

If either party should change the number of its outstanding shares as a result of a stock split, reverse stock split, stock dividend, recapitalization, reclassification, or similar transaction with respect to such shares prior to the Effective Time, then the shares to be issued hereunder to holders of AEB Stock

A-2

TABLE OF CONTENTS

shall be proportionately and appropriately adjusted; provided that, for the avoidance of doubt, no such adjustment shall be made with regard to the Fidelity Stock if (i) Fidelity issues additional shares of Fidelity Stock and receives consideration for such shares in a bona fide merger, acquisition or other business combination or any other third party transaction, or (ii) Fidelity issues stock options, restricted stock or restricted stock units or grants or similar equity awards or Fidelity Stock upon exercise or vesting of any such grants or awards.

(e)

No scrip or fractional share certificates of Fidelity Stock shall be issued in connection with the Merger and an outstanding fractional share interest will not entitle the owner thereof to vote, to receive dividends or to have any of the rights of a shareholder with respect to such fractional interest. In lieu of any fractional interest, there shall be paid in cash, without interest, an amount (computed to the nearest cent) equal to such fraction multiplied by the Fidelity VWAP.

(f)

As soon as practicable after the Effective Time, each holder as of the Effective Time of any of the shares of AEB Stock to be converted as above provided, upon presentation and surrender of the certificates for such shares to Fidelity, shall be entitled to receive in exchange therefor the number of uncertificated, book-entry shares of Fidelity Stock pursuant to Section 14-2-626 of the Georgia Code to which such shareholder shall be entitled according to the terms of this Agreement. Until such surrender, each outstanding share of AEB Stock which prior to the Effective Time represented AEB Stock shall be deemed for all corporate purposes to evidence ownership of the number of shares of Fidelity Stock into which the same shall have been converted, and the right to receive payment for fractional shares.

(g)

No dividends or other distributions with respect to Fidelity Stock shall be paid to the holder of any unsurrendered AEB Stock with respect to the shares of Fidelity Stock represented thereby, in each case unless and until the surrender of each outstanding share of such AEB Stock in accordance with this Section 1.2. Subject to the effect of applicable abandoned property, escheat or similar laws, following surrender of any such share of such AEB Stock in accordance with this Section 1.2, the record holder thereof shall be entitled to receive, without interest, (i) the amount of dividends or other distributions with a record date after the Effective Time theretofore payable with respect to the whole shares of Fidelity Stock represented by such AEB Stock and paid prior to such surrender date, and/or (ii) at the appropriate payment date, the amount of dividends or other distributions payable with respect to shares of Fidelity Stock represented by such AEB Stock with a record date after the Effective Time (but before such surrender date) and with a payment date subsequent to the issuance of the Fidelity Stock issuable with respect to such AEB Stock.

(h)

Any shares of Fidelity Stock that remain unclaimed by the shareholders of AEB will be provided to the appropriate public official pursuant to applicable abandoned property, escheat or similar laws when and as required by applicable law, and Fidelity shall not be liable to any former holder of shares of AEB Stock for any amount so delivered.

(i)

If any AEB Stock certificate shall have been lost, stolen or destroyed, Fidelity may, in its reasonable discretion and as a condition precedent to the issuance of any Fidelity Stock, require the owner of such lost, stolen or destroyed AEB Stock certificate to provide a bond and an appropriate affidavit and indemnity agreement (reasonably satisfactory to Fidelity) as indemnification against any claim that may be made against Fidelity with respect to such AEB Stock certificate.

(j)

Fidelity or its paying agent shall be entitled to deduct and withhold from the Merger Consideration and any other amounts otherwise payable pursuant to this Agreement to any individual or entity (a "Person") such amounts, if any, as it is required to deduct and withhold with respect to the making of such payment under the Code. To the extent that amounts are so withheld and remitted to the appropriate governmental authority by or on behalf of Fidelity, such

amounts withheld shall be treated for all purposes of this Agreement as having been paid to such Person in respect of which such deduction and withholding was made by Fidelity.

1.3

Closing. The transactions contemplated herein shall be consummated (the “Closing”) at the offices of Troutman Sanders LLP, 600 Peachtree Street NE, Suite 5200, Atlanta, Georgia 30308, on the first business day of the month that begins immediately following the satisfaction or waiver in accordance with this Agreement of all of the conditions set forth in Articles VI, VII and VIII (other than those conditions

A-3

TABLE OF CONTENTS

that by their nature are to be satisfied or waived at the Closing, but subject to the fulfillment or waiver of those conditions) (the “Closing Date”), or at such other time, date and place as may be mutually agreed to in writing by the parties hereto. On the Closing Date, Fidelity shall file the Articles of Merger with the Georgia Secretary of State and the Florida Secretary of State.

1.4

Articles of Incorporation and Bylaws of the Surviving Corporation. The Amended and Restated Articles of Incorporation of Fidelity, as amended, shall at the Effective Time be the Articles of Incorporation of the Surviving Corporation. Until altered, amended or repealed, as therein provided, the Bylaws of Fidelity, as amended, as in effect at the Effective Time shall be the Bylaws of the Surviving Corporation.

1.5

Directors of Surviving Corporation. The directors of the Surviving Corporation immediately after the Merger shall be the directors of Fidelity in office immediately prior to the Effective Time.

1.6

Tax Free Reorganization.

(a)

Each of Fidelity and AEB shall use its commercially reasonable efforts to cause the Merger to qualify as a “reorganization” within the meaning of Section 368(a) of the Code. None of Fidelity, AEB or their respective subsidiaries shall take, or agree to take, fail to take, or agree to fail to take, any action (including any action otherwise permitted by this Agreement) that would reasonably be expected to prevent or impede the Merger from qualifying as a “reorganization” within the meaning of Section 368(a) of the Code. Pursuant to the foregoing, each of Fidelity and AEB agrees to make such commercially reasonable additions or modifications to the terms of this Agreement as may be reasonably necessary to permit the Merger to so qualify.

(b)

Unless otherwise required by applicable law, each of Fidelity and AEB (i) shall report the Merger as a “reorganization” within the meaning of Section 368(a) of the Code, (ii) shall not take any Tax reporting position inconsistent with such characterization and (iii) shall properly file with their federal income Tax Returns all information required by Treasury Regulations Section 1.368-3.

(c)

The parties hereto shall cooperate and use their commercially reasonable efforts to cause their respective Tax counsels to issue the opinions described in Section 6.5 and Section 7.4 and shall deliver to such counsels certificates containing representations reasonably requested by such counsels in connection with the rendering of such opinions to be issued by such counsels with respect to the treatment of the Merger as a “reorganization” within the meaning of Section 368(a) of the Code.

1.7

Bank Merger. Concurrently with the execution and delivery of this Agreement, Fidelity Bank and the Bank shall enter into the Bank Merger Agreement, pursuant to which the Bank will merge with and into Fidelity Bank. The Bank Merger shall not occur prior to the Effective Time.

1.8

Additional Actions. If, at any time after the Effective Time, Fidelity shall consider or be advised that any further deeds, documents, assignments or assurances in law or any other acts are necessary or desirable to (i) vest, perfect or confirm, of record or otherwise, in Fidelity its right, title or interest in, to or under any of the rights, properties or assets of AEB, or (ii) otherwise carry out the purposes of this Agreement, AEB and its officers and directors shall be deemed to have granted to Fidelity an irrevocable power of attorney to execute and deliver, in such official corporate

capacities, all such deeds, assignments or assurances in law or any other acts as are necessary or desirable to (a) vest, perfect or confirm, of record or otherwise, in Fidelity its right, title or interest in, to or under any of the rights, properties or assets of AEB, or (b) otherwise carry out the purposes of this Agreement, and the officers and directors of Fidelity are authorized in the name of AEB or otherwise to take any and all such action.

ARTICLE II

OTHER AGREEMENTS

2.1

Registration and Listing of Fidelity Stock.

(a)

Fidelity agrees to file with the Securities and Exchange Commission (the "SEC") as soon as reasonably practicable a registration statement (the "Fidelity Registration Statement") under the Securities Act of 1933, as amended (the "1933 Act"), on Form S-4 or some other appropriate form covering the issuance of the shares of Fidelity Stock to the shareholders of AEB pursuant to this Agreement and to use

A-4

TABLE OF CONTENTS

its commercially reasonable efforts to cause the Fidelity Registration Statement to become effective and to remain effective through the Effective Time. Fidelity agrees to take any action required to be taken under the applicable state securities laws in connection with the issuance of shares of Fidelity Stock upon consummation of the Merger. AEB agrees to provide Fidelity reasonable assistance as necessary in the preparation of the Fidelity Registration Statement, including, without limitation, providing Fidelity with all material facts regarding the operations, business, assets, liabilities and personnel of AEB, together with the audited financial statements of AEB, all as and to the extent required by the 1933 Act and the rules, regulations and practices of the SEC, for inclusion in the Fidelity Registration Statement. The Fidelity Registration Statement shall not cover resales of Fidelity Stock by any of the shareholders of AEB, and Fidelity shall have no obligation to cause the Fidelity Registration Statement to continue to be effective after the Effective Time or to prepare or file any post-effective amendments to the Fidelity Registration Statement after the Effective Time.

(b)

Fidelity agrees to list on the NASDAQ Global Select Stock Market, by the Closing Date, the shares of Fidelity Stock to be issued to the shareholders of AEB pursuant to this Agreement.

2.2

Meeting of AEB Shareholders. AEB shall call a special meeting of its shareholders (the “Special Meeting”) to be held not more than twenty (20) business days after the Fidelity Registration Statement becomes effective under the 1933 Act for the purpose of submitting the Merger and this Agreement to such shareholders for their approval. In connection with the Special Meeting, Fidelity and AEB shall together prepare and submit to the AEB shareholders a notice of meeting, proxy statement and proxy (the “AEB Proxy Materials”), which shall include the final prospectus from the Fidelity Registration Statement in the form filed with the SEC.

2.3

Dissenting Shareholders. Any holder of shares of AEB Stock who perfects such holder’s appraisal rights in accordance with and as contemplated by Sections 607.1301 through 607.1333 of the Florida Business Corporation Act shall be entitled to receive from the Surviving Corporation, in lieu of the Per Share Purchase Price, the value of such shares as to which appraisal rights have been perfected in cash as determined pursuant to such provision of law; provided, that no such payment shall be made to any dissenting shareholder unless and until such dissenting shareholder has complied with all applicable provisions of such law, and surrendered to AEB the certificate or certificates representing the shares for which payment is being made. In the event that, after the Effective Time, a dissenting shareholder of AEB fails to perfect, or effectively withdraws or loses such holder’s right to appraisal of and payment for such holder’s AEB Stock, the Surviving Corporation shall issue and deliver the consideration to which such holder of shares of AEB Stock is entitled under Article I (without interest) upon surrender by such holder of the certificate or certificates representing such shares of AEB Stock held by such holder.

2.4

Access to Properties, Books, Etc. Each party shall allow the other party and its authorized representatives full access, upon reasonable prior notice, during normal business hours from and after the date hereof and prior to the Closing Date to all of such party’s properties, books, contracts, commitments and records and those of its subsidiaries and shall furnish the other party and its authorized representatives such information concerning its affairs and the affairs of its subsidiaries as the other party may reasonably request provided that such request shall be reasonably related to the transactions contemplated by this Agreement and shall not interfere unreasonably with normal operations. Each party shall cause its and its subsidiaries’ personnel, employees and other representatives to assist such other party in making any such investigation. During such investigation, each party and its authorized representatives shall have the right to make copies of such records, files, tax returns and other materials as it may deem advisable and shall advise the other party of those items of which copies are made. No investigation made heretofore or hereafter by either party and its authorized representatives shall affect the representations and warranties of either such party hereunder.

2.5

Confidentiality. Prior to consummation of the Merger, the parties to this Agreement have provided and will provide one another with information which may be deemed by the party providing the information to be confidential, including, without limitation, information regarding such party's operations, customers (including consumer financial information), business and financial condition. Each party agrees that it will hold confidential and protect all information provided to it by each other party or such party's affiliates or representatives, except that the obligations contained in this Section 2.5 shall not in any way

A-5

TABLE OF CONTENTS

restrict the rights of any party to use information that: (a) was known to such party prior to the disclosure by the other party; (b) is or becomes generally available to the public other than by breach of this Agreement; (c) is provided by one party for disclosure concerning such party in the Fidelity Registration Statement; or (d) otherwise becomes lawfully available to a party to this Agreement on a non-confidential basis from a third party who is not under an obligation of confidence to the other party to this Agreement. If this Agreement is terminated prior to the Closing, upon request each party hereto agrees to return all documents, statements and other written materials, whether or not confidential, and all copies thereof, provided to it by or on behalf of the other party to this Agreement. The provisions of this Section 2.5 shall survive termination, for any reason whatsoever, of this Agreement, and, without limiting the remedies of the parties hereto in the event of any breach of this Section 2.4, the parties hereto will be entitled to seek injunctive relief against the other party in the event of a breach or threatened breach of this Section 2.5.

2.6

Cooperation. Subject to the terms and conditions of this Agreement, the parties hereto shall use commercially reasonable efforts in good faith to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary or advisable so as to permit consummation of the Merger as promptly as practicable and shall cooperate fully with each other to that end.

2.7

Expenses. All of the expenses incurred by Fidelity in connection with the authorization, preparation, execution and performance of this Agreement and the Bank Merger Agreement, including, without limitation, all fees and expenses of its agents, representatives, counsel and accountants and the fees and expenses related to filing the Fidelity Registration Statement and all regulatory applications with state and federal authorities in connection with the transactions contemplated hereby and thereby, (the “Fidelity Expenses”) shall be paid by Fidelity. All expenses incurred by AEB in connection with the authorization, preparation, execution and performance of this Agreement and the Bank Merger Agreement, including, without limitation, all fees and expenses of its agents, representatives, counsel and accountants in connection with all regulatory applications with state and federal authorities in connection with the transactions contemplated hereby and thereby and the cost of reproducing and mailing the AEB Proxy Materials (the “AEB Expenses”), shall be paid by AEB.

2.8

Preservation of Goodwill. Each party hereto shall use its commercially reasonable efforts to preserve its business organization and the business organizations of its subsidiaries, to keep available the services of its present employees and of the present employees of its subsidiaries, and to preserve the goodwill of customers and others having business relations with such party or its subsidiaries.

2.9

Approvals and Consents. Each party hereto represents and warrants to and covenants with the other that it will use its commercially reasonable efforts, and will cause its officers, directors, employees and agents and its subsidiaries and any subsidiary’s officers, directors, employees and agents to use their commercially reasonable efforts, to obtain as soon as is reasonably practicable all approvals and consents of state and federal departments or agencies required or deemed necessary for consummation of the transactions contemplated by this Agreement.

2.10

Agreements by Directors and Shareholders. The directors of AEB will, contemporaneously with the execution of this Agreement, execute and deliver to Fidelity an agreement, the form of which is attached hereto as Exhibit B. Within five (5) days after the date of this Agreement, AEB agrees that it will use its best efforts to obtain an agreement in the form attached hereto as Exhibit B from any beneficial owner of five percent (5%) or more of the issued and outstanding shares of AEB Stock who is not an executive officer or director of AEB.

2.11

Press Releases. Prior to the Closing Date, Fidelity and AEB shall each approve the form, substance and timing of any press release or other public disclosure materially related to this Agreement or any other transaction contemplated hereby; provided, however, that nothing in this Section 2.11 shall be deemed to prohibit any party from making any disclosure which its counsel deems necessary or advisable in order to satisfy such party's disclosure obligations imposed by law.

2.12

Employee Benefits.

(a)

Following the Closing Date, Fidelity shall provide to employees of AEB who continue employment with Fidelity ("AEB Continuing Employees") medical, dental, vacation and long-term disability benefits, medical and dependent care flexible spending accounts and life insurance (collectively, "Employee

A-6

TABLE OF CONTENTS

Benefits”), on terms and conditions consistent in all material respects with those then currently provided by Fidelity to its other similarly-situated employees. For purposes of eligibility to participate and any vesting determinations (but not benefit accruals) in connection with the provision of any such Employee Benefits by Fidelity to the AEB Continuing Employees, service with AEB prior to the Closing Date shall be counted to the extent such service was counted under the similar plan of AEB. The AEB Continuing Employees’ prior service with AEB shall also be credited for purposes of all waiting periods for participation in any of such Employee Benefits to the extent such service was counted under the similar plan of AEB. Fidelity shall also waive all restrictions and limitations for preexisting conditions under Fidelity’s Employee Benefit plans, to the extent such restrictions or limitations would not or currently do not apply to the AEB Continuing Employees under the similar plan of AEB.

(b)

Subject to applicable legal requirements, Fidelity and AEB shall take such other actions prior to the Closing Date as may be reasonably necessary to enable the employees of AEB after the Closing Date to transfer the amount credited to their accounts under the Bank 401(k) Plan (the “AEB 401(k) Plan”) through a rollover contribution into either the Fidelity 401(k) Plan (the “Fidelity 401(k) Plan”), if such employees are AEB Continuing Employees, or to transfer the amount credited to their accounts (not including outstanding participant loans) through a rollover contribution to a separate third party individual retirement account, or to take a cash distribution from the AEB 401(k) Plan, provided, that (i) AEB’s Board of Directors shall adopt resolutions to terminate the AEB 401(k) Plan as of the last day immediately preceding the Closing Date, and (ii) the foregoing shall be subject to the receipt of a favorable IRS determination letter (or prototype sponsor letter) with respect to the AEB 401(k) Plan to the extent reasonably required by Fidelity. For purposes of any vesting determinations (but not benefit accruals) and eligibility to participate (other than with respect to matching or other employer contributions) in connection with the Fidelity 401(k) Plan, service with AEB prior to the Closing Date shall be counted to the extent such service was counted under the AEB 401(k) Plan. For purposes of eligibility to participate in any employer contributions under the Fidelity 401(k) Plan, AEB Continuing Employees shall be eligible on terms and conditions consistent with those then currently provided by Fidelity to its other similarly-situated employees based on their employment date with AEB. Prior to the Closing Date AEB shall make any necessary employer contributions to the AEB 401(k) Plan due such AEB Continuing Employees for compensation paid by AEB prior to termination of the AEB 401(k) Plan. AEB shall take such actions prior to the Closing Date, as directed by Fidelity and as reasonably necessary, to (i) correct or remedy any AEB Plan that is not in compliance with the provisions of ERISA, the Code or other applicable law, (ii) bring any AEB Plan that is subject to Section 409A of the Code and not in compliance therewith into compliance, and (iii) ensure that there are no “excess parachute payments” within the meaning of Section 280G(b) of the Code being made in connection with the consummation of the transactions that are the subject of this Agreement or any events related thereto.

(c)

Subject to applicable legal requirements, Fidelity and AEB shall take such other actions prior to the Closing Date as may be reasonably necessary to terminate the agreements marked with an “*” on Section 3.5(b)(i) of the Disclosure Memorandum. In connection with such terminations, any compensation to be provided thereunder shall be paid in full in exchange for a settlement and release agreement reasonably acceptable to Fidelity.

2.13

Directors’ and Officers’ Tail Coverage. Prior to the Closing Date, Fidelity shall have, at Fidelity’s expense, amended, modified or obtained directors’ and officers’ liability insurance (either through its existing directors’ and officers’ liability insurance policies or under AEB’s existing directors’ and officers’ liability insurance policies, in which event AEB will designate Fidelity’s insurance broker as AEB’s broker-of-record, as determined by Fidelity in its sole discretion) for a period of six (6) years after the Closing Date, covering any person who is now, or has been at any time prior to the date hereof or who becomes prior to the Closing Date, a director or officer of AEB or the Bank, who are currently covered by AEB’s policies on terms similar to such existing insurance; provided that Fidelity shall not be obligated to make aggregate annual premium payments for such six (6) year period in respect of such policy which exceed two hundred percent (200%) of the annual premium payments on AEB’s current policy in effect as of the date of this Agreement (the “Maximum Amount”). If the amount of the premiums necessary to maintain or procure such insurance

coverage exceeds the Maximum Amount, Fidelity shall use its

A-7

TABLE OF CONTENTS

reasonable best efforts to maintain the most advantageous policies of directors' and officers' liability insurance obtainable for a premium equal to the Maximum Amount. The directors and officers of AEB and its subsidiaries shall take all reasonable actions required by the insurance carrier necessary to procure such endorsement.

2.14

Indemnification.

(a)

For a period of six (6) years after the Effective Time (or, in the case of Claims that have not been resolved prior to the sixth (6th) anniversary of the Effective Time, until such Claims are finally resolved), Fidelity shall indemnify, defend, and hold harmless the present and former directors and executive officers of AEB (each, an "Indemnified Party") against all liabilities arising out of, resulting from or related to any claim, action, suit, proceeding, investigation or other legal proceeding, whether civil, criminal, administrative or investigative or investigation (each, a "Claim"), in which an Indemnified Party is, or is threatened to be made, a party or witness arising out of the fact that such Indemnified Party is or was a director or officer of AEB (or, at AEB's request, was a director, officer, manager or trustee of, or in a similar capacity with, another AEB entity or AEB Employee Benefit Plan) prior to the Effective Time if such Claim pertains to any matter of fact arising, existing or occurring at or before the Effective Time (including the Merger and the other transactions contemplated hereby), regardless of whether such Claim is asserted or claimed before, or after, the Effective Time, to the fullest extent permitted by applicable law. Fidelity shall promptly pay reasonable expenses (including reasonable attorneys' fees) in advance of the final disposition of any such Claim to each Indemnified Party to the fullest extent permitted by applicable law upon receipt of an undertaking to repay such advance payments if he or she shall be adjudicated not to be entitled to indemnification under this Section 2.14(a). Fidelity shall not have any obligation hereunder to any Indemnified Party when and if a court of competent jurisdiction shall determine, and such determination shall have become final and non-appealable, that the indemnification of such Indemnified Party in the manner contemplated hereby is prohibited by applicable law (including any law promulgated, interpreted or enforced by any regulatory authority).

(b)

Any Indemnified Party wishing to claim indemnification under paragraph (a) of this Section 2.14, upon learning of any such Claim, shall promptly notify Fidelity thereof in writing (provided that a failure to timely provide such notice shall not relieve Fidelity of any indemnification obligation unless, and to the extent that, Fidelity is materially prejudiced by such failure). In the event of any such Claim (whether arising before or after the Effective Time), (i) Fidelity shall have the right to assume the defense thereof and Fidelity shall not be liable to such Indemnified Parties for any legal expenses of other counsel or any other expenses subsequently incurred by such Indemnified Parties in connection with the defense thereof, except that if Fidelity elects not to assume such defense for the Indemnified Parties, or if there are substantive issues which raise conflicts of interest between Fidelity and the Indemnified Parties, the Indemnified Parties may retain counsel satisfactory to them, and Fidelity shall pay all reasonable fees and expenses of such counsel for the Indemnified Parties promptly as statements therefor are received; provided, that Fidelity shall be obligated pursuant to this Section 2.14(b) to pay for only one firm of counsel for any Indemnified Party in any jurisdiction; (ii) each Indemnified Party will cooperate in good faith in the defense of any such Claim; (iii) Fidelity shall not be liable for any settlement effected without its prior written consent (which shall not be unreasonably withheld or delayed) and (iv) without the prior written consent of the Indemnified Party (which shall not be unreasonably withheld or delayed), Fidelity shall not agree to any settlement which does not provide for a release of the Indemnified Party.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF AEB

As an inducement to Fidelity to enter into this Agreement and to consummate the transactions contemplated hereby, AEB represents, warrants, covenants and agrees as follows:

3.1

Disclosure Memorandum. AEB has delivered to Fidelity a memorandum (the “Disclosure Memorandum”) containing certain information regarding AEB as indicated at various places in this Agreement. All information set forth in the Disclosure Memorandum or in documents incorporated by reference in the Disclosure Memorandum is true, correct and complete, does not omit to state any fact necessary in order to make the statements therein not misleading, and shall be deemed for all purposes of this Agreement to constitute part of the representations and warranties of AEB under this Article III. The

A-8

TABLE OF CONTENTS

information contained in the Disclosure Memorandum shall be deemed to qualify all representations and warranties contained in this Article III and the covenants in Article IV to the extent applicable. All information in each of the documents and other writings furnished to Fidelity pursuant to this Agreement or the Disclosure Memorandum is or will be true, correct and complete and does not and will not omit to state any fact necessary in order to make the statements therein not misleading. AEB shall promptly provide Fidelity with written notification of any event, occurrence or other information necessary to maintain the Disclosure Memorandum and all other documents and writings furnished to Fidelity pursuant to this Agreement as true, correct and complete at all times prior to and including the Closing.

3.2

Corporate and Financial.

(a)

Corporate Status. AEB is a corporation duly organized, validly existing and its status is active under the laws of the State of Florida. The Bank is a Florida bank duly organized, validly existing, and its status is active under the laws of the State of Florida. AEB and the Bank have all of the requisite corporate power and authority and are entitled to own or lease their respective properties and assets and to carry on their businesses as and in the places where such properties or assets are now owned, leased or operated and such businesses are now conducted.

(b)

Authority; Enforceability.

(i)

Except as set forth in the Disclosure Memorandum and subject to the required regulatory approvals as stated in Section 3.6(a), and the approval of AEB shareholders, the execution, delivery and performance of this Agreement and the other transactions contemplated or required in connection herewith will not, with or without the giving of notice or the passage of time, or both:

(1)

violate any provision of federal or state law applicable to AEB, the violation of which, singularly or in the aggregate, could reasonably be expected to have a Material Adverse Effect;

(2)

violate any provision of the articles of incorporation, as amended, or bylaws of AEB;

(3)

conflict with or result in a breach of any provision of, or termination of, or constitute a default under any instrument, license, agreement, or commitment to which AEB is a party, which, singularly or in the aggregate, could reasonably be expected to have a Material Adverse Effect; or

(4)

constitute a violation of any order, judgment or decree to which AEB is a party, or by which AEB or any of its assets or properties are bound.

(ii)

AEB and the Bank each have the full power and authority to enter into and perform this Agreement and, as applicable, the Bank Merger Agreement, and the transactions contemplated hereby and thereby. Other than the approval of the AEB shareholders and the Bank shareholder, the execution, delivery, performance and terms of this Agreement and, as applicable, the Bank Merger Agreement, by AEB and the Bank and the consummation by AEB and the Bank of the transactions contemplated hereby and thereby have been duly and validly approved by AEB and the Bank, including all necessary action by the board of directors of AEB and the Bank. Other than the approval of the AEB shareholders

and the Bank shareholder, no other corporate proceedings are necessary on the part of AEB and the Bank to authorize the execution, delivery, and performance of this Agreement and, as applicable, the Bank Merger Agreement, by AEB and the Bank and the consummation by AEB and the Bank of the transactions contemplated hereby and thereby.

Assuming this Agreement constitutes the valid and binding obligation of Fidelity, this Agreement constitutes the valid and binding obligation of AEB, and is enforceable in accordance with its terms, except as limited by (i) laws relating to bankruptcy, insolvency, reorganization, receivership, conservatorship, arrangement, fraudulent conveyance, moratorium or other laws affecting or relating to the rights of creditors generally or (ii) the rules governing the availability of specific performance, injunctive relief or other equitable remedies and general principles of equity, regardless of whether considered in a proceeding in equity or at law (the “General Enforceability Exceptions”).

(iii)

“Material Adverse Effect” shall mean any change, event, development, violation, effect or circumstance which, individually or in the aggregate, (i) has, or is reasonably likely to have, a material adverse effect on the business, operations, properties, assets, financial condition or prospects of AEB on a consolidated basis, or (ii) prevents or materially impairs, or would be reasonably likely to prevent

A-9

TABLE OF CONTENTS

or materially impair, the ability of AEB to timely consummate the transactions contemplated hereby or to perform its agreements or covenants hereunder; provided that, for purposes of clauses (i) and (ii), Material Adverse Effect shall specifically exclude any adverse effect attributable to or resulting from (1) any change in banking laws, rules or regulations of general applicability, (2) any change in U.S. generally accepted accounting principles (“GAAP”) or regulatory accounting principles applicable to banks or their holding companies generally, (3) any action or omission of AEB or the Bank taken with the express prior written consent of Fidelity, (4) general changes in national economic, monetary, market or financial conditions affecting financial institutions, including changes in prevailing interest rates, inflation, credit markets or capital market conditions, except, in all cases, to the extent such changes disproportionately affect AEB, (5) changes in national political conditions, including the outbreak or escalation of acts of terrorism, or (6) the public disclosure of this Agreement or the transactions contemplated hereby.

(c)

Capital Structure.

(i)

As of the date of this Agreement, AEB has authorized capital stock consisting solely of 20,000,000 shares of AEB Stock, of which 4,884,491 shares are issued and outstanding as of the date hereof, (i) assuming that outstanding debentures are converted into approximately 1,829,268 shares of AEB Stock, and (ii) exclusive of (1) 98,000 shares reserved for the issuance upon exercise of outstanding AEB Stock Options, and (2) 40,000 shares to be granted to Bennett Brown at the time of closing. The Bank has authorized capital stock consisting solely of 4,000,000 shares of common stock, \$5.00 par value per share (“Bank Stock”), and all outstanding shares of such Bank Stock are owned by AEB. All of the issued and outstanding shares of AEB Stock and Bank Stock are duly and validly issued, fully paid and non-assessable and were offered, issued and sold in compliance with all applicable federal and state securities laws. No Person has any right of rescission or, to the knowledge of AEB, claim for damages under federal or state securities laws with respect to the issuance of any shares AEB Stock or Bank Stock previously issued. None of the shares of AEB Stock or Bank Stock has been issued in violation of any preemptive or other rights of its respective shareholders. All of the issued and outstanding shares of Bank Stock are owned by AEB.

(ii)

Except for the AEB Stock Options described in Section 3.2(c)(ii) of the Disclosure Memorandum, AEB does not have outstanding any options or other securities which are either by their terms or by contract convertible or exchangeable into capital stock of AEB, or any other securities or debt of AEB, or any preemptive or similar rights to subscribe for or to purchase, or any options or warrants or agreements or understandings for the purchase or the issuance (contingent or otherwise) of, rights to acquire or vest in, or any calls, commitments or claims of any character relating to, its capital stock or securities convertible into its capital stock. Except as otherwise described in Section 3.2(c)(ii) of the Disclosure Memorandum, AEB is not subject to any obligation (contingent or otherwise) to issue, repurchase or otherwise acquire or retire, or to register, any shares of its capital stock. All AEB Stock Options have an exercise price that is no less than the fair market value of the underlying AEB Stock as of the date of grant of such AEB Stock Option. There are no outstanding or authorized phantom stock, stock appreciation, profit participation or similar rights with respect to any shares of AEB Stock or Bank Stock.

(iii)

Except as disclosed in Section 3.2(c)(iii) of the Disclosure Memorandum and other than restrictions required by applicable federal and state securities laws, there is no agreement, arrangement or understanding to which AEB is a party restricting or otherwise relating to the transfer of any shares of capital stock of AEB.

(iv)

All shares of AEB Stock or other capital stock, or any other securities or debt, of AEB, which have been purchased or redeemed by AEB have been purchased or redeemed in accordance with all applicable federal, state and local laws, rules, and regulations, including, without limitation, all federal and state securities laws, and no such purchase or redemption has resulted or will, with the giving of notice or lapse of time, or both, result in a default or acceleration of

the maturity of, or otherwise modify, any agreement, note, mortgage, bond, security agreement, loan agreement or other contract or commitment of AEB.

(v)

Except as set forth in Section 3.2(c)(v) of the Disclosure Memorandum, no Person beneficially owns more than five percent (5%) of the issued and outstanding shares of AEB Stock.

A-10

TABLE OF CONTENTS

(d)

AEB Subsidiaries. AEB has no subsidiaries other than the Bank and the Bank has no subsidiaries except as set forth in Section 3.2(d) of the Disclosure Memorandum. AEB and the Bank each own all of the equity interests in each of their respective subsidiaries. No subsidiary has outstanding any securities which are either by their terms or by contract convertible or exchangeable into capital stock of such subsidiary, or any other securities or debt of such subsidiary, or any preemptive or similar rights to subscribe for or to purchase, or any options or warrants or agreements or understandings for the purchase or the issuance (contingent or otherwise) of, rights to acquire or vest in, or any calls, commitments or claims of any character relating to, its capital stock or securities convertible into its capital stock. All of the issued and outstanding shares of each subsidiary are duly and validly issued, fully paid and non-assessable and were offered, issued and sold in compliance with all applicable federal and state securities laws. Each subsidiary has all of the requisite corporate power and authority and is entitled to own or lease its properties and assets and to carry on its businesses as and in the places where such properties or assets are now owned, leased or operated and such businesses are now conducted.

(e)

Corporate Records. The stock records and minute books of AEB: (a) fully and accurately reflect all issuances, transfers and redemptions of the AEB Stock; (b) correctly show the record addresses and the number of shares of such stock issued and outstanding on the date hereof held by the shareholders of AEB; (c) correctly show all formal corporate actions taken by the directors and shareholders of AEB (including actions taken by consent without a meeting); and (d) contain true and correct copies or originals of the articles of incorporation, as amended, and bylaws that are currently in force and the minutes of all meetings or consent actions of its directors and shareholders. No resolutions, regulations or bylaws have been passed, enacted, consented to or adopted by such directors or shareholders except those contained in the minute books. All corporate records have been maintained in accordance with all applicable statutory requirements and are complete and accurate in all material respects.

(f)

Tax Returns; Taxes.

(i)

Each of AEB and the Bank has (i) duly and timely filed with the appropriate governmental entity all Tax Returns required to be filed by it (taking into account any applicable extensions), and all such Tax Returns are true, correct and complete in all material respects and prepared in compliance with all applicable laws and (ii) timely paid all Taxes due and owing (whether or not shown due on any Tax Returns). Neither AEB nor the Bank currently is the beneficiary of any extension of time within which to file any Tax Return. No claim has ever been made by a governmental entity in a jurisdiction where AEB and the Bank do not file Tax Returns that AEB or the Bank is or may be subject to taxation by that jurisdiction.

(ii)

The unpaid Taxes of AEB and the Bank (A) did not, as of December 31, 2014, exceed the reserve for Tax liabilities (excluding any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the balance sheets (rather than in any notes thereto) contained in the AEB Financial Statements, which were prepared in accordance with GAAP and (B) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of AEB and the Bank in filing their tax returns. Since December 31, 2014, neither AEB nor the Bank has incurred any liability for Taxes outside the ordinary course of business or otherwise inconsistent with past custom and practice.

(iii)

There are no liens, charges, restrictions, encumbrances or claims of any kind (collectively, "Liens") for Taxes upon any property or asset of AEB or the Bank, except for Liens for current Taxes the payment of which is not yet delinquent, or for Taxes contested in good faith through appropriate proceedings and reserved against in accordance with GAAP.

(iv)
There are no deficiencies for Taxes with respect to AEB and the Bank that have been set forth or claimed in writing, or proposed or assessed by a governmental entity with respect to any Taxes due by, Tax Returns of, or any of the assets or properties of AEB or the Bank. There are no pending, proposed or, to the knowledge of AEB, threatened audits, investigations, disputes or claims or other actions for or relating to any Tax Return or material liability for Taxes with respect to AEB and the Bank. No material issues relating to Taxes of AEB or the Bank were raised by the relevant governmental entity in any completed audit or examination that would reasonably be expected to recur in a later taxable period. None of AEB, the Bank or any predecessor has waived any statute of

A-11

TABLE OF CONTENTS

limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment, deficiency, or collection, or has made any request in writing for any such extension or waiver, that remains in effect. Except as set forth in Section 3.2(f)(iv) of the Disclosure Memorandum, there is not currently in effect any power of attorney authorizing any Person to act on behalf of AEB or the Bank, or receive information relating to AEB or the Bank, with respect to any Tax matter.

(v)

Neither AEB nor the Bank has requested or received any ruling from any governmental entity, or signed any binding agreement with any governmental entity (including, without limitation, any advance pricing agreement) that would affect any amount of Tax payable after the Closing Date and has not made any request for issuance of a ruling from a governmental entity on behalf of the AEB or the Bank (regardless of whether the requested ruling is still pending or withdrawn).

(vi)

Each of AEB and the Bank has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, shareholder or other third party, and all Tax Returns (including without limitation all IRS Forms W-2 and 1099) required with respect thereto have been properly completed and timely filed with, and supplied to, the appropriate parties.

(vii)

Except for any customary agreements with customers, vendors, lenders, lessors or the like entered into in the ordinary course of business, neither AEB nor the Bank is a party to or bound by or has any obligation under any Tax sharing, allocation or indemnification agreement or similar contract or arrangement or any agreement that obligates it to make any payment computed by reference to the Taxes, taxable income or taxable losses of any other Person.

(viii)

Except for the affiliated group of which AEB is the common parent, each of AEB and the Bank is not and has never been a member of an affiliated group of corporations within the meaning of Section 1504 of the Code or any group that has filed a combined, consolidated or unitary Tax Return. Neither AEB nor the Bank is liable for the Taxes of any Person (including an individual, corporation, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union or other entity or governmental entity) other than AEB and the Bank (i) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign law), (ii) as a transferee or successor, (iii) by contract, or (iv) otherwise.

(ix)

Neither AEB nor the Bank has constituted either a “distributing corporation” or a “controlled corporation” in a distribution of stock intended to qualify for tax-free treatment under Section 355 or Section 361 of the Code.

(x)

Neither AEB nor the Bank has taken any action, failed to take any action, or knows of any fact that would be reasonably expected to prevent the Merger from qualifying as a “reorganization” within the meaning of Section 368(a) of the Code.

(xi)

Neither AEB nor the Bank has been a party to a “reportable transaction,” as such term is defined in Treasury Regulations Section 1.6011-4(b)(1) (other than such transactions that have been properly reported) or any other substantially similar transaction requiring disclosure under analogous provisions of state, local or foreign Tax law.

(xii)

AEB has not taken any action not in accordance with past practice that would have the effect of deferring a measure of Tax from a period (or portion thereof) ending on or before the Closing Date to a period (or portion thereof) beginning

after the Closing Date. AEB has no deferred income or other Tax Liability arising out of any transaction, including, without limitation, any (i) intercompany transaction (as defined in Treasury Regulations Section 1.1502-13), (ii) the disposal of any property in a transaction accounted for under the installment method pursuant to Section 453 of the Code, (iii) excess loss account (as defined in Treasury Regulations Section 1.1502-19) with respect to the stock of any subsidiary of AEB, (iv) use of the long-term contract method of accounting, or (v) receipt of any prepaid amount on or before the Closing Date. Neither AEB nor the Bank has made an election under Section 108(i) of the Code (or any corresponding provision of state, local or foreign law).

(xiii)

AEB has delivered or made available to Fidelity for inspection complete and correct copies of (i) its federal and state income and franchise Tax Returns and reports for the past three (3) taxable

A-12

TABLE OF CONTENTS

periods ended on or after December 31, 2014, and has indicated those Tax Returns that have been audited and those Tax Returns that are currently the subject of an audit, and (ii) all private letter rulings, revenue agent reports, settlement agreements, a description of all deficiency notices and any similar documents submitted by, received by or agreed to by or on behalf of AEB, the Bank, and any predecessor thereof and relating to Taxes for such taxable periods. AEB has delivered or made available to Fidelity the amount of any net operating loss, net capital loss, unused investment or other credit, unused foreign tax or excess charitable deduction available for use by AEB or the Bank. There is currently no limitation on the use of the Tax attributes of AEB and the Bank under Sections 269, 382, 383, 384 or 1502 of the Code (and similar provisions of state, local or foreign Tax law).

(xiv)

No closing agreement pursuant to Section 7121 of the Code (or any similar provision of state, local or non-U.S. law) has been entered into by or with respect to the AEB or the Bank.

(xv)

At all times since its formation until December 31, 2009, AEB was a validly electing S corporation within the meaning of Sections 1361 and 1362 of the Code (and any comparable provision of state and local Tax law in jurisdictions in which such election was available), and the Bank was a valid qualified subchapter S Subsidiary within the meaning of Sections 1361 and 1362 of the Code (and any comparable provision of state and local Tax law in applicable jurisdictions) during the same period.

For purposes of this Agreement, “Tax” or “Taxes” means all taxes of whatever kind or nature, including, without limitation, those on or measured by or referred to as income, gross receipts, sales, use, ad valorem, franchise, profits, license, estimated, withholding, payroll, employment, social security (or similar), unemployment, disability, excise, severance, stamp, occupation, premium, transfer, registration, alternative or add-on minimum, value added, real property, personal property, escheat, environmental or windfall profits taxes, customs, duties or other similar fees, assessments or charges of any kind whatsoever (together with any interest and any penalties, additions to tax or additional amounts), whether disputed or not, imposed by any governmental entity (domestic or foreign); and “Tax Returns” means any report, return (including information return or declaration of estimated Taxes), claim for refund, statement, disclosure or form relating to Taxes filed or required to be filed with any governmental entity, including any schedule or attachment thereto, and including any amendments thereof.

(g)

Financial Statements.

(i)

AEB has delivered to Fidelity true, correct and complete copies, including notes, of the audited financial statements of AEB for the years ended December 31, 2014, 2013, and 2012, including consolidated balance sheets, consolidated statements of income, consolidated statements of cash flows, consolidated statements of comprehensive income and consolidated statements of changes in shareholders’ equity and unaudited financial statements of AEB for the six months ended June 30, 2015 (collectively, the “AEB Financial Statements”). The AEB Financial Statements have been prepared in accordance with GAAP, and present fairly the assets, liabilities and financial condition of AEB as of the dates indicated therein and the results of its operations for the respective periods indicated therein.

(ii)

AEB has maintained a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management’s general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets, (iii) access to assets is permitted only in accordance with management’s general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. No changes have been made to AEB’s internal control over financial reporting, as defined in Rule 13a-15(f) and Rule 15d-15(f) of the Securities Exchange Act of 1934, as amended (the “1934 Act”), since December 31, 2014 that materially affected, or are reasonably likely to

materially affect, its internal control over financial reporting.

(h)
Regulatory Reports. AEB has made available to Fidelity for review and inspection the year-end and quarterly Reports of Condition and Income filed by the Bank with the Federal Deposit Insurance

A-13

TABLE OF CONTENTS

Corporation (the “FDIC”) and the Forms F.R. Y-6 and F.R. Y-9SP filed by AEB with the Board of Governors of the Federal Reserve System (the “Federal Reserve”) for or during each of the three (3) years ended December 31, 2014, 2013 and 2012 and the two (2) quarters ended June 30, 2015 and March 31, 2015, together with all such other reports filed by AEB and the Bank for or during the same three-year period with the Florida Office of Financial Regulation, Division of Financial Institutions (the “FOFR”), if any, and with any other applicable regulatory or governmental agencies (collectively, the “AEB Reports”). All of the AEB Reports have been prepared in accordance with applicable rules and regulations applied on a basis consistent with prior periods and contain all information required to be presented therein in accordance with such rules and regulations.

(i)

Enforcement Actions. Except as set forth in Section 3.2(i) of the Disclosure Memorandum, (i) neither AEB nor any of its subsidiaries is subject to any cease-and-desist or other similar order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is a recipient of any extraordinary supervisory letter from, or is subject to any capital directive by, or has adopted any board resolutions at the request of, the Federal Reserve, the FDIC, the FOFR or with any other applicable regulatory or governmental agency (a “Regulatory Agreement”), (ii) neither AEB nor any of its subsidiaries has been advised by the Federal Reserve, the FDIC, the FOFR or any other applicable regulatory or governmental agency that it is considering issuing, initiating, ordering, or requesting any such Regulatory Agreement, (iii) AEB and each of its subsidiaries are in compliance in all material respects with each Regulatory Agreement to which it is party or subject, and (iv) neither AEB nor any of its subsidiaries has received any notice from the Federal Reserve, the FDIC, the FOFR or any other applicable regulatory or governmental agency indicating that either AEB or any of its subsidiaries is not in compliance in all material respects with any such Regulatory Agreement.

(j)

Accounts. Section 3.2(j) of the Disclosure Memorandum contains a list of each and every bank and other institution in which AEB maintains an account or safety deposit box, the account numbers, and the names of all Persons who are presently authorized to draw thereon, have access thereto or give instructions regarding distribution of funds or assets therein.

(k)

Loans; Nonperforming and Classified Assets; Allowance.

(i)

Except as set forth in Section 3.2(k)(i) of the Disclosure Memorandum or as provided for in the Allowance described in subsection (iv) below, to the knowledge of AEB, all loans, lines of credit, letters of credit and other extensions of credit made by the Bank or due to it (“AEB Loans”) shown in the AEB Financial Statements and any such AEB Loans on the date hereof and on the Closing Date, (i) are and will be as of the Closing Date genuine, legal, valid and enforceable (except as enforceability may be limited by the General Enforceability Exceptions) obligations of the respective makers thereof and (ii) are not and will not be as of the Closing Date subject to any right of offset, rescission or set-off or any counterclaim or defense for which there is a reasonable possibility of an adverse determination to the Bank.

(ii)

All of the AEB Loans are evidenced by written agreements, true and correct copies of which will be made available to Fidelity for examination prior to the Closing Date. All currently outstanding AEB Loans were solicited, originated and, currently exist in material compliance with all applicable law and regulations and the Bank’s lending policies at the time of origination of such AEB Loans, and the loan documents with respect to each such AEB Loan are complete and correct in all material respects. There are no oral modifications or amendments or additional agreements related to the AEB Loans that are not reflected in the written records of the Bank. Except as set forth in Section 3.2(k)(ii) of the Disclosure Memorandum, all of the AEB Loans are owned by the Bank free and clear of any Liens. Except as set forth

in Section 3.2(k)(ii) of the Disclosure Memorandum, none of the AEB Loans are presently serviced by third parties, and there is no obligation which could result in any AEB Loan becoming subject to any third party servicing.

(iii)

Except as set forth in Section 3.2(k)(iii) of the Disclosure Memorandum, as of the date hereof, no AEB Loans were, as of September 30, 2015, over ninety (90) days delinquent in payment of principal or interest. Section 3.2(k)(iii) of the Disclosure Memorandum contains a complete list of (i) each AEB Loan that as of September 30, 2015 was classified as “Special Mention,” “Substandard,”

A-14

TABLE OF CONTENTS

“Doubtful,” “Loss,” “Classified,” “Criticized,” “Credit Risk Assets,” “Concerned Loans,” “Watch List” or words of similar import, the Bank or any bank examiner, together with the principal amount of and accrued and unpaid interest on each such AEB Loan and the identity of the borrower thereunder and (ii) each asset of the Bank that as of September 30, 2015 was classified as other real estate owned and the book value thereof as of September 30, 2015.

(iv)
The allowance for loan and lease losses (the “Allowance”) shown on the balance sheet of AEB included in the most recent AEB Financial Statements dated prior to the date of this Agreement was, and the Allowance shown on the balance sheets of AEB included in the AEB Financial Statements as of dates subsequent to the execution of this Agreement will be, as of the dates thereof, adequate (within the meaning of GAAP and applicable regulatory requirements or guidelines) to provide for all known or reasonably anticipated losses relating to or inherent in the loan and lease portfolios (including accrued interest receivables, letters of credit and commitments to make loans or extend credit), by AEB as of the dates thereof. Prior to the Closing Date, AEB will not make a material change to its methodology for determining the Allowance without providing prior written notice to Fidelity.

(l)
Liabilities. AEB has no debt, liability or obligation of any kind required to be shown pursuant to GAAP on the consolidated balance sheet of AEB, whether accrued, absolute, known or unknown, contingent or otherwise, including, but not limited to: (a) liability or obligation on account of any federal, state or local taxes or penalty, interest or fines with respect to such taxes; (b) liability arising from or by virtue of the distribution, delivery or other transfer or disposition of goods, personal property or services of any type, kind or variety; (c) unfunded liabilities with respect to the AEB 401(k) Plan or any other post-retirement life insurance, pension, profit sharing or employee stock ownership plan, whether operated by AEB or any other entity covering employees of AEB; or (d) environmental liabilities, except: (i) those reflected in the AEB Financial Statements; and (ii) as disclosed in Section 3.2(l) of the Disclosure Memorandum.

(m)
Absence of Changes. Except as specifically provided for in this Agreement or specifically set forth in Section 3.2(m) of the Disclosure Memorandum, since December 31, 2014:

(i)
there has been no change in any of AEB’s relationships with customers, employees, lessors or others, other than changes in the ordinary course of business, none of which individually or in the aggregate has had, or which could reasonably be expected to have, a Material Adverse Effect;

(ii)
there has been no damage, destruction or loss to the assets, properties or business of AEB, whether or not covered by insurance, which has had, or which may reasonably be expected to have, a Material Adverse Effect;

(iii)
the business of AEB has been operated in the ordinary course, and not otherwise;

(iv)
the material properties and assets of AEB used in its business have been maintained in good order, repair and condition, ordinary wear and tear excepted;

(v)
the books, accounts and records of AEB have been maintained in the usual, regular and ordinary manner;

(vi)

there has been no declaration, setting aside or payment of any dividend or other distribution on or in respect of the capital stock of AEB other than in the ordinary course and consistent with past practices;

(vii)
there has been no increase in any payment of or commitment to pay any bonus, profit sharing or other extraordinary