

September 30, 1994;

(c) The Registrant's Current Reports on Form 8-K filed on August 4, 1994, September 21, 1994, October 3, 1994 and December 22, 1994; and

(d) The description of the Registrant's Common Stock contained in its registration statement filed pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and any amendment or report filed for the purpose of updating such description, including the Registrant's Current Report on Form 8-K filed on September 21, 1994.

All documents filed by the Registrant with the Commission pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act subsequent to the effectiveness of this Registration Statement and prior to the filing of a post-effective amendment hereto that either indicates that all securities offered hereto have been sold or deregisters all securities then remaining unsold shall be deemed to be incorporated by reference in this Registration Statement and the Prospectus and to be a part hereof and thereof from the date of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein or therein shall be deemed to be modified or superseded for purposes of this Registration Statement and the Prospectus to the extent that a statement contained herein or therein or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement or the Prospectus.

The Registrant will provide without charge to each person to whom the Prospectus constituting a part of this Registration Statement is delivered, on the written or oral request of any such person, a copy of any or all of the documents incorporated herein and in the Prospectus by reference (other than exhibits to such documents which are not specifically incorporated by reference in such documents). Written requests for such copies should be directed to the Treasurer, NationsBank Corporation, NationsBank Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255. Telephone requests may be directed to (704) 386-5000.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

The legality of the Registrant's Common Stock to be issued in connection with the Plans has been passed upon by Smith Helms Mulliss & Moore, L.L.P., Charlotte, North Carolina. As of the date of this Post-Effective Amendment No. 1 on Form S-8, certain attorneys of Smith Helms Mulliss & Moore, L.L.P., beneficially owned approximately 25,000 shares of the Registrant's Common Stock.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

There are no provisions in the Registrant's Restated Articles of Incorporation, contracts between the Registrant and its directors and officers or resolutions adopted by the Registrant relating to indemnification. The Registrant's Restated Articles of Incorporation prevent the recovery by the Registrant of monetary damages against its directors. However, in accordance with the provisions of the North Carolina Business Corporation Act (the "Act"), the Registrant's Amended and Restated Bylaws provide that, in addition to the indemnification of directors and officers otherwise provided by the Act, the Registrant shall, under certain circumstances, indemnify its directors, executive officers and certain other designated officers against any and all liability and litigation expense, including reasonable attorneys' fees, arising out of their status or activities as directors and officers, except for liability or litigation expense incurred on account of activities that were at the time known or reasonably should have been known by such director or officer to be clearly in conflict with the best interests of the Registrant. Pursuant to such bylaw and as authorized by statute, the Registrant maintains insurance on behalf of its directors and officers against liability asserted against such persons in such capacity whether or not such directors or officers have the right to indemnification pursuant to the bylaw or otherwise.

In addition to the above-described provisions, Sections 55-8-50 through 55-8-58 of the Act contain provisions prescribing

the extent to which directors and officers shall or may be indemnified. Section 55-8-51 of the Act permits a corporation, with certain exceptions, to indemnify a current or former director against liability if (i) he conducted himself in good faith, (ii) he reasonably believed (x) that his conduct in his official capacity with the corporation was in its best interests and (y) in all other cases his conduct was at least not opposed to the corporation's best interests, and (iii) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful. A corporation may not indemnify a current or former director in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation or in connection with a proceeding charging improper personal benefit to him in which he was adjudged liable on such basis. The above standard of conduct is determined by the Board of Directors or a committee thereof or special legal counsel or the shareholders as prescribed in Section 55-8-55.

Sections 55-8-52 and 55-8-56 of the Act require a corporation to indemnify a director or officer in the defense of any proceeding to which he was a party because of his capacity as a director or officer against reasonable expenses when he is wholly successful in his defense, unless the articles of incorporation provide otherwise. Upon application, the court may order indemnification of the director or officer if he is adjudged fairly and reasonably so entitled under Section 55-8-54. Section 55-8-56 allows a corporation to indemnify and advance to an officer, employee or agent who is not a director to the same extent as a director or as otherwise set forth in the corporation's articles of incorporation or bylaws or by a resolution of the board of directors.

In addition, Section 55-8-57 permits a corporation to provide for indemnification of directors, officers, employees or agents, in its articles of incorporation or bylaws or by contract or resolution, against liability in various proceedings and to purchase and maintain insurance policies on behalf of these individuals.

The foregoing is only a general summary of certain aspects of North Carolina law dealing with indemnification of directors and officers and does not purport to be complete. It is qualified in its entirety by reference to the relevant statutes containing detailed specific provisions regarding the circumstances under which and the person for whose benefit indemnification shall or may be made and accordingly are incorporated herein by reference as Exhibit 99.3.

ITEM 8. EXHIBITS.

The following exhibits are filed with or incorporated by reference in this Registration Statement.

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
5.1	Opinion of Smith Helms Mulliss & Moore, L.L.P. as to legality of securities.*
23.1	Consent of Price Waterhouse LLP.
23.2	Consent of Smith Helms Mulliss & Moore, L.L.P. (included in Exhibit 5.1).
24.1	Power of Attorney and Certified Resolutions.*
99.1	RHNB Corporation Nonqualified Stock Option Plan.
99.2	RHNB Corporation Amended and Restated 1994 Executive Stock Option Plan.
99.3	Provisions of North Carolina law relating to indemnification of directors and officers.

* Previously filed as an exhibit to the Registrant's Registration Statement on Form S-4 to which this is Post-Effective Amendment No. 1.

ITEM 9. UNDERTAKINGS.

(a) The undersigned Registrant hereby undertakes:

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

Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the Registration Statement is on Form S-3 or Form S-8, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Charlotte, State of North Carolina, on December 29, 1994.

NATIONSBANK CORPORATION

By: HUGH L. McCOLL, JR. *
Hugh L. McColl, Jr.

Chairman of the Board and
Chief Executive Officer

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

SIGNATURE	TITLE	DATE
HUGH L. McCOLL, JR. * Hugh L. McColl, Jr.	Chairman of the Board, Chief Executive Officer and Director (Principal Executive Officer)	December 29, 1994
JAMES H. HANCE, JR. * James H. Hance, Jr.	Vice Chairman and Chief Financial Officer (Principal Financial Officer)	December 29, 1994
MARC D. OKEN * Marc D. Oken	Executive Vice President and Chief Accounting Officer (Principal Accounting Officer)	December 29, 1994
RONALD W. ALLEN * Ronald W. Allen	Director	December 29, 1994
WILLIAM M. BARNHARDT * William M. Barnhardt	Director	December 29, 1994
THOMAS M. BELK * Thomas M. Belk	Director	December 29, 1994
Thomas E. Capps	Director	December __, 1994
R. EUGENE CARTLEDGE * R. Eugene Cartledge	Director	December 29, 1994
CHARLES W. COKER * Charles W. Coker	Director	December 29, 1994
THOMAS G. COUSINS * Thomas G. Cousins	Director	December 29, 1994
Alan T. Dickson	Director	December __, 1994
W. FRANK DOWD, JR. * W. Frank Dowd, Jr.	Director	December 29, 1994
A. L. Ellis	Director	December __, 1994
PAUL FULTON * Paul Fulton	Director	December 29, 1994
L. L. GELLERSTEDT, JR.* L. L. Gellerstedt, Jr.	Director	December 29, 1994
TIMOTHY L. GUZZLE * Timothy L. Guzzle	Director	December 29, 1994
E. BRONSON INGRAM * E. Bronson Ingram	Director	December 29, 1994

E. Bronson Ingram

W. W. JOHNSON * Director December 29, 1994
W. W. Johnson

BUCK MICKEL * Director December 29, 1994
Buck Mickel

JOHN J. MURPHY * Director December 29, 1994
John J. Murphy

JOHN C. SLANE * Director December 29, 1994
John C. Slane

John W. Snow Director December __, 1994

MEREDITH RIGGS SPANGLER * Director December 29, 1994
Meredith Riggs Spangler

Robert H. Spilman Director December __, 1994

William W. Sprague, Jr. Director December __, 1994

RONALD TOWNSEND * Director December 29, 1994
Ronald Townsend

Jackie M. Ward Director December __, 1994

MICHAEL WEINTRAUB * Director December 29, 1994
Michael Weintraub

By: CHARLES M. BERGER
Charles M. Berger
Attorney-in-Fact

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 33-55145) of our report dated January 14, 1994, which appears on page 57 of the 1993 Annual Report to Shareholders of NationsBank Corporation, which is incorporated by reference in NationsBank Corporation's Annual Report on Form 10-K for the year ended December 31, 1993.

PRICE WATERHOUSE LLP
Charlotte, North Carolina
December 29, 1994

RHNB CORPORATION

NONQUALIFIED STOCK OPTION PLAN

1. PURPOSE OF PLAN. This RHNB Corporation Nonqualified Stock Option Plan (the "Plan") is intended to increase the incentive for participants to contribute to the success of RHNB Corporation (the "Corporation") and its subsidiaries and to reward them for their contribution to that success. The Plan is not intended to be a qualified stock option plan under the Internal Revenue Code of 1986 (the "Internal Revenue Code"), as it may be amended from time to time.

2. ELIGIBILITY. The executive officers of the Corporation holding the following offices will be eligible to receive awards under the Plan: the President (or the Acting President), any Executive Vice President and any Senior Vice President. Any individual who ceases to be an executive officer of the Corporation for any reason will not be eligible to receive an award under the Plan.

3. SHARES SUBJECT TO PLAN. The options awarded under this Plan will be options to acquire shares of the Corporation's common stock ("Common Stock"), \$2.50 par value. The maximum number of shares of Common Stock that may be issued under the Plan is 35,000, subject to adjustment pursuant to paragraph 13.

4. ADMINISTRATION OF PLAN. The Corporation's Board of Directors (the "Board") will appoint a committee (the "Committee") consisting of at least three members of the Board to administer the Plan. No executive officer eligible to receive options under the Plan may serve as a member of the Committee.

The Committee, in addition to any other powers granted to it hereunder, shall have the powers, subject to the express provisions of the Plan:

(a) to specify the terms of any option awarded under the Plan;

(b) to prescribe, amend and repeal rule and regulations of general application relating to the Plan;

(c) to construe and interpret the Plan;

(d) to require of any person exercising an option granted under the Plan, at the time of such exercise, the execution of any paper or making or any representation or the giving of any commitment that the Committee shall, in its discretion, deem necessary or advisable by reason of the securities laws of the United States or any State, or the execution of any paper or the payment of any sum of money in respect of taxes or the undertaking to pay or have paid any such sum that the Committee shall, in its discretion, deem necessary by reason of the Internal Revenue Code or any rule or regulation thereunder, or by reason of the tax laws of any State;

(e) to amend options previously granted and outstanding, but no amendment to any such option shall be made without the consent of the optionee if such amendment would adversely affect the rights of the optionee under his memorandum of option; and no amendment shall be made to any memorandum of option that would cause the inclusion therein of any term or provision inconsistent with the Plan; and

(f) to make all other determinations necessary or advisable for the administration of the Plan.

Determinations of the Committee with respect to the matters referred to in this paragraph shall be conclusive and binding on persons eligible to receive options under the Plan and all persons who have received options under the Plan, and the legal representatives and beneficiaries of such persons.

5. GRANT OF OPTIONS. On May 1, 1992, January 1, 1993 and January 1, 1994, respectively, the Corporation will grant to each individual then holding the executive office listed below an option to acquire the number of shares of the Corporation's Common Stock indicated beside such office:

Executive Office	Number of Shares Subject to Option
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President (or Acting President) of the Corporation	3,250
Executive Vice President of the Corporation	2,750
Senior Vice President of the Corporation	1,750

Notwithstanding the foregoing, however, no individual holding an executive office listed above shall receive an option under the Plan on May 1, 1992 unless such individual held the executive office in question on January 1, 1992.

6. EXERCISE PRICE. The per share exercise price of any option granted hereunder will be the per share fair market price of the Corporation's Common Stock on the date of grant.

7. DATE OPTION BECOMES EXERCISABLE. Each option granted under the Plan will become exercisable upon the later of: (a) the date of grant and (b) the effective date of a registration statement under the Securities Act of 1933 on Form S-8 or similar form registering the shares of the Corporation's Common Stock covered by the option.

8. EXPIRATION DATE; EARLY TERMINATION OF OPTIONS.

(a) The expiration date of each option granted under the Plan will be four years from the date of grant, but each such option will be subject to early termination as provided below.

(b) An unexercised option granted under the plan will terminate upon any of the following events:

(i) DEATH. An unexercised option will terminate upon the earlier of: (A) four years after the date of grant or (B) one year after the optionee's death, if he dies while employed by the Corporation or one of its subsidiaries.

(ii) DISABILITY. An unexercised option will terminate upon the earlier of: (A) four years after the date of grant or (B) one year after the optionee's employment with the Corporation and its subsidiaries terminates on account of such optionee's disability.

(iii) TERMINATION OF EMPLOYMENT. An unexercised option will terminate immediately upon the date that the optionee's employment with the Corporation and its subsidiaries terminates for any reason other than death or disability.

9. EXERCISE. An option granted hereunder may be exercised as to part or all of the shares covered thereby at any time before the expiration date or earlier termination of such option. If an option granted under this Plan is exercised only in part, it must be exercised for a minimum of 50 shares. During the optionee's lifetime, only the optionee or his guardian or legal representative may exercise the option. If an optionee dies prior to the expiration date of an option granted to him and on the date of his death, he had not exercised the option as to all of the shares covered thereby, the estate or any person who acquires the right to exercise the option by reason of such optionee's death may exercise the option.

10. PAYMENT OF EXERCISE PRICE AND APPLICABLE WITHHOLDING TAXES. Upon exercise of an option granted under the Plan, the option holder must pay in full the exercise price and an amount sufficient to satisfy all federal, state and local income taxes that the Corporation is required to withhold in connection with the exercise of the option. Payment of the exercise price and the amount of any withholding tax requirements shall be made: (a) in cash, (b) in shares of the Corporation's Common Stock, valued at fair market value on the date of exercise or (c) by any combination of cash and shares of the Corporation's Common Stock, valued at fair market value on the date of exercise.

11. TRANSFERABILITY. No option granted hereunder may be transferred except by will or by the laws of dissent and distribution, upon the death of the optionee.

12. MEMORANDUM OF OPTION. The Committee will deliver to each individual to whom an option is granted a memorandum of option, stating the terms of the option.

13. CAPITAL ADJUSTMENTS. The number of shares of Common Stock covered by each outstanding option granted under the Plan, and the exercise price thereof, will be subject to an appropriate and equitable adjustment, as determined by the Committee, to reflect any stock dividend, stock split or share combination, and will be subject to such adjustment as the Committee may deem appropriate to reflect any exchange of shares, recapitalization, merger, consolidation, separation, reorganization, liquidation or the like, of or by the Corporation.

14. AMENDMENT OR DISCONTINUANCE. The Plan may be amended, altered or discontinued by the Board at any time. No termination or amendment of the Plan shall materially and adversely affect any rights or obligations of the holder of an option previously granted under the Plan without such holder's consent.

15. EFFECT OF THE PLAN. Neither the adoption of this Plan nor any action of the Board or the Committee shall be deemed to give any person the right to continue in the employment of the Corporation or its subsidiaries.

16. EFFECTIVENESS OF THE PLAN. The Plan shall become effective on May 1, 1992.

17. DEFINITIONS. For purposes of this Plan:

(a) the term "disability" shall have the meaning given such term by the Rock Hill National Bank Pension Plan; and

(b) the term "fair market value" shall mean, with respect to the Corporation's Common Stock on any given date, the closing price in the primary market or exchange on which the Corporation's Common Stock is traded at the close of trading on the business day immediately preceding the given date, or if the Corporation's Common Stock is not so traded, the average of the closing bid and asked prices of the Common Stock in the over-the-counter market as reported on the National Association of Securities Dealers' Automated Quotation System ("NASDAQ") on such date, if so reported, or if not so reported, the average of the closing bid and asked prices of the Common Stock as furnished by reporting members of the National Association of Securities Dealers, Inc. for such date, or if the Corporation's Common Stock is not traded in the over-the-counter market, such value as is determined in good faith by the Board of Directors. In the event there were no Common Stock transactions on the day preceding the given date, fair market value shall be determined as of the next preceding date on which there were Common Stock transactions.

RHNB CORPORATION

AMENDED AND RESTATED 1994 EXECUTIVE STOCK OPTION PLAN

1. PURPOSE OF PLAN. This Amended and Restated 1994 Executive Stock Option Plan (the "Plan") is intended to increase the incentive for participants to contribute to the success of RHNB Corporation ("RHNB") and its subsidiaries and to reward them for their contribution to that success.

2. SHARES SUBJECT TO PLAN. The options granted under this Plan will be options to acquire shares of RHNB's common stock, \$2.50 par value. The maximum number of shares that may be issued pursuant to this Plan is 45,000.

3. ADMINISTRATION OF PLAN. The Compensation Committee (the "Committee") of RHNB's Board of Directors will administer the Plan. During the year prior to commencement of service on the Committee, the Committee members may not have participated in or received securities under, and while serving and for one year after serving on the Committee, such members shall not receive securities under or be eligible for selection as persons to whom shares may be transferred or to whom stock options may be granted under, the Plan or any other discretionary plan of RHNB (or an affiliate of RHNB) under which participants are entitled to acquire shares, stock options or stock appreciation rights of RHNB (or an affiliate of RHNB).

The Committee, in addition to any other powers granted to it hereunder, shall have the powers, subject to the express provisions of the Plan:

(a) in its discretion, to determine the Employees (defined in Section 5(a) hereof) to receive options, the times when options shall be granted, the times when options may be exercised, the number of shares to be subject to each option, the exercise price of each option, and any restrictions on the transfer or ownership of shares purchased pursuant to an option;

(b) to prescribe, amend and repeal rules and regulations of general application relating to the Plan;

(c) to construe and interpret the Plan;

(d) to require of any person exercising an option granted under the Plan, at the time of such exercise, the execution of any paper or the making of any representation or the giving of any commitment that the Committee shall, in its discretion, deem necessary or advisable by reason of the securities laws of the United States or any State, or the execution of any paper or the payment of any sum of money in respect of taxes or the undertaking to pay any such sum that the Committee shall, in its discretion, deem necessary by reason of the Internal Revenue Code or any rule or regulation thereunder, or by reason of the tax laws of any State;

(e) to amend stock options previously granted and outstanding, but no amendment to any such agreement shall be made without the consent of the optionee if such amendment would adversely affect the rights of the optionee under his stock option agreement or would disqualify an "incentive stock option" (as defined in Section 422 of the Internal Revenue Code) (an "incentive stock option") from being such under the Internal Revenue Code; and no amendment shall be made to any stock option agreement that would cause the inclusion therein of any term or provision inconsistent with the Plan; and

(f) to make all other determinations necessary or advisable for the administration of the Plan. Determinations of the Committee with respect to the matters referred to in this section shall be conclusive and binding on all persons eligible to participate under the Plan and their legal representatives and beneficiaries. The Committee shall have full authority to act with respect to the participation of any Employee, including any directors or officers, and nothing in the Plan shall be construed to be in derogation of such authority.

The Committee may designate selected Committee members or employees of RHNB to assist the Committee in the administration of the Plan and may grant authority to such persons to execute documents, including options, on behalf of the Committee, subject in each such case to the requirements of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended.

Decisions and determinations of the Committee on all matters relating to the Plan shall be in its sole discretion and shall be conclusive. No member of the Committee, nor any person authorized to act on behalf of the Committee, shall be liable for any action taken or decision made in good faith relating to the Plan or any award thereunder.

4. INITIAL GRANTS OF OPTIONS. On June 1, 1994, or such earlier date as the Committee may determine in its discretion, options will be granted under the Plan as follows:

NAME	TITLE	NUMBER OF SHARES
Michael F. Gooding	CEO	15,000
G. Steve Moore, Jr.	EVP	9,000
P. Hobson Busby	SVP	6,000
Gregory L. Gibson	SVP	6,000
		<hr/> 36,000

These options will be granted on the following terms:

(a) VESTING. None of the options will be immediately exercisable. One-third of each optionee's options will become exercisable on January 1, 1997, one-third will become exercisable on January 1, 1998, and one-third will become exercisable on January 1, 1999.

(b) DURATION OF OPTION. Each option will remain exercisable for a period of two years after it becomes exercisable. Any option that is not then exercisable will immediately terminate upon the termination of the optionee's employment with RHNB. Each option that is exercisable will terminate 90 days after the termination of the optionee's employment with RHNB.

(c) EXERCISE PRICE. The exercise price for each of the options will be the closing price for the RHNB shares on the date of grant.

5. GRANT OF OPTION TO EMPLOYEES.

(a) EMPLOYEES TO WHOM OPTIONS MAY BE GRANTED. The Committee may grant an incentive stock option to any employee of RHNB who is designated as the chief executive officer, or as an executive vice president or senior vice president, of RHNB ("an Employee").

(b) NUMBER OF SHARES. The Committee may grant to an Employee an option to purchase such number of shares as the Committee may chose.

(c) EXERCISE PRICE. The Committee will specify the exercise price with respect to each option granted hereunder, but with respect to each option the exercise price must be at least 100% of the fair market value of the shares covered by the option at the time the option is granted.

(d) TERM OF OPTIONS. The Committee will specify the expiration date of each option granted hereunder; provided, however that no option granted hereunder may be exercised after the expiration of ten years from the date on which such option was granted.

6. EXERCISE. An option granted hereunder may be exercised as to part or all of the shares covered thereby at any time before the expiration date of such option.

During the participant's lifetime, only the participant may exercise an option granted to him. If a participant dies prior to the expiration date of an option granted to him, without having exercised his option as to all of the shares covered thereby, the option may be exercised, to the extent of the shares with respect to which the option could have been exercised on the date of the participant's death, by the estate or a person who acquired the right to exercise the option by bequest or inheritance or by reason of the death of the Employee.

7. PAYMENT OF EXERCISE PRICE. The exercise price will be payable upon exercise of the option to purchase shares. Payment of the exercise price shall be made in cash.

8. TRANSFERABILITY. No option granted hereunder may be transferred by the participant except by will or by the laws of descent and distribution, upon the death of the participant. No shares purchased upon the exercise of any option may be transferred within six months from the date the option was granted.

9. MEMORANDUM OF OPTION.

(a) GENERAL. The Committee will deliver to each participant to whom an option is granted a Memorandum of Option, stating the terms of the option.

(b) INCENTIVE STOCK OPTION RULES. It is intended that options granted under of this Plan may qualify for treatment for federal income tax as "incentive stock options," as that term is defined by Section 422 of the Internal Revenue Code, provided that the Employee follows certain rules concerning the exercise of the options. In the Memorandum of Option referred to in this paragraph the Committee will set forth the rules that the Employee must observe if his option is to qualify as an incentive stock option.

10. CAPITAL ADJUSTMENTS. The number of shares of common stock covered by each outstanding option granted under the Plan, and the option price thereof, will be subject to an appropriate and equitable adjustment, as determined by the Committee, to reflect any stock dividend, stock split or share combination, and will be subject to such adjustment as the Committee may deem appropriate to reflect any exchange of shares, recapitalization, merger, consolidation, separation, reorganization, liquidation or the like, of or by RHNB.

11. AMENDMENT OR DISCONTINUANCE. The Plan may be amended, altered or discontinued by the Board of Directors of RHNB. No termination or amendment of the Plan shall materially and adversely affect any rights or obligations of the holder of an option theretofore granted under the Plan without his consent.

12. EFFECT OF THE PLAN. Neither the adoption of this Plan nor any action of the Board or the Committee shall be deemed to give any person any right to be granted an option to purchase common stock of RHNB or any other rights hereunder except as may be expressly granted by the Committee (or granted pursuant to Section 5) and evidenced by a Memorandum of Option described in Section 9.

13. EFFECTIVENESS OF THE PLAN; DURATION. The Plan shall be subject to approval by the vote of the holders of a majority of the shares of stock of RHNB entitled to vote. The Plan shall be effective at once upon such approval. No option may be granted prior to the approval of the Plan by shareholders. No options may be granted under this Plan after June 1, 1997.

PROVISIONS OF NORTH CAROLINA BUSINESS CORPORATION ACT
REGARDING INDEMNIFICATION

"55-8-50. Policy statement and definitions.

(a) It is the public policy of this State to enable corporations organized under this Chapter to attract and maintain responsible, qualified directors, officers, employees and agents, and, to that end, to permit corporations organized under this Chapter to allocate the risk of personal liability of directors, officers, employees and agents through indemnification and insurance as authorized in this Part.

(b) Definitions in this Part:

- (1) 'Corporation' includes any domestic or foreign corporation absorbed in a merger which, if its separate existence had continued, would have had the obligation or power to indemnify its directors, officers, employees, or agents, so that a person who would have been entitled to receive or request indemnification from such corporation if its separate existence had continued shall stand in the same position under this Part with respect to the surviving corporation.
- (2) 'Director' means an individual who is or was a director of a corporation or an individual who, while a director of a corporation, is or was serving at the corporation's request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. A director is considered to be serving an employee benefit plan at the corporation's request if his duties to the corporation also impose duties on, or otherwise involve services by, him to the plan or to participants in or beneficiaries of the plan. 'Director' includes, unless the context requires otherwise, the estate or personal representative of a director.
- (3) 'Expenses' means expenses of every kind incurred in defending a proceeding, including counsel fees.
- (4) 'Liability' means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expenses incurred with respect to a proceeding.
- (4a) 'Officer', 'employee', or 'agent' includes, unless context requires otherwise, the estate or personal representative of a person who acted in that capacity.
- (5) 'Official capacity' means: (i) when used with respect to a director, the office of director in a corporation; and (ii) when used with respect to an individual other than a director, as contemplated in G.S. 55-8-56, the office in a corporation held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the corporation. 'Official capacity' does not include service for any other foreign or domestic corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise.
- (6) 'Party' includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.
- (7) 'Proceeding' means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal.

55-8-51. Authority to indemnify.

(a) Except as provided in subsection (d), a corporation may indemnify an individual made a party to a proceeding because he

is or was a director against liability incurred in the proceeding if:

- (1) He conducted himself in good faith; and
- (2) He reasonably believed (i) in the case of conduct in his official capacity with the corporation, that his conduct was in its best interests; and (ii) in all other cases, that his conduct was at least not opposed to its best interests; and
- (3) In the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful.

(b) A director's conduct with respect to an employee benefit plan for a purpose he reasonably believed to be in the interests of the participants in and beneficiaries of the plan is conduct that satisfies the requirement of subsection (a) (2) (ii).

(c) The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of no contest or its equivalent is not, of itself, determinative that the director did not meet the standard of conduct described in this section.

(d) A corporation may not indemnify a director under this section:

- (1) In connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation; or
- (2) In connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him.

(e) Indemnification permitted under this section in connection with a proceeding by or in the right of the corporation that is concluded without a final adjudication on the issue of liability is limited to reasonable expenses incurred in connection with the proceeding.

(f) The authorization, approval or favorable recommendation by the board of directors of a corporation of indemnification, as permitted by this section, shall not be deemed an act or corporate transaction in which a director has a conflict of interest, and no such indemnification shall be void or voidable on such ground.

55-8-52. Mandatory indemnification.

Unless limited by its articles of incorporation, a corporation shall indemnify a director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he was a party because he is or was a director of the corporation against reasonable expenses incurred by him in connection with the proceeding.

55-8-53. Advance for expenses.

Expenses incurred by a director in defending a proceeding may be paid by the corporation in advance of the final disposition of such proceeding as authorized by the board of directors in the specific case or as authorized or required under any provision in the articles of incorporation or bylaws or by any applicable resolution or contract upon receipt of an undertaking by or on behalf of the director to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation against such expenses.

55-8-54. Court-ordered indemnification.

Unless a corporation's articles of incorporation provide otherwise, a director of the corporation who is a party to a proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction. On receipt of an application, the court after giving any notice the court considers necessary may order indemnification if it determines:

- (1) The director is entitled to mandatory indemnification under G.S. 55-8-52, in which case the court shall also order the corporation to pay

the director's reasonable expenses incurred to obtain court-ordered indemnification; or

- (2) The director is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not he met the standard of conduct set forth in G.S. 55-8-51 or was adjudged liable as described in G.S. 55-8-51(d), but if he was adjudged so liable his indemnification is limited to reasonable expenses incurred.

55-8-55. Determination and authorization of indemnification.

(a) A corporation may not indemnify a director under G.S. 55-8-51 unless authorized in the specific case after a determination has been made that indemnification of the director is permissible in the circumstances because he has met the standard of conduct set forth in G.S. 55-8-51.

(b) The determination shall be made:

- (1) By the board of directors by majority vote of a quorum consisting of directors not at the time parties to the proceeding;
- (2) If a quorum cannot be obtained under subdivision (1), by majority vote of a committee duly designated by the board of directors (in which designation directors who are parties may participate), consisting solely of two or more directors not at the time parties to the proceeding;
- (3) By special legal counsel (i) selected by the board of directors or its committee in the manner prescribed in subdivision (1) or (2); or (ii) if a quorum of the board of directors cannot be obtained under subdivision (1) and a committee cannot be designated under subdivision (2), selected by majority vote of the full board of directors (in which selection directors who are parties may participate); or
- (4) By the shareholders, but shares owned by or voted under the control of directors who are at the time parties to the proceeding may not be voted on the determination.

(c) Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled under subsection (b)(3) to select counsel.

55-8-56. Indemnification of officers, employees, and agents.

Unless a corporation's articles of incorporation provide otherwise:

- (1) An officer of the corporation is entitled to mandatory indemnification under G.S. 55-8-52, and is entitled to apply for court-ordered indemnification under G.S. 55-8-54, in each case to the same extent as a director;
- (2) The corporation may indemnify and advance expenses under this Part to an officer, employee, or agent of the corporation to the same extent as to a director; and
- (3) A corporation may also indemnify and advance expenses to an officer, employee, or agent who is not a director to the extent, consistent with public policy, that may be provided by its articles of incorporation, bylaws, general or specific action of its board of directors, or contract.

55-8-57. Additional indemnification and insurance.

(a) In addition to and separate and apart from the indemnification provided for in G.S. 55-8-51, 55-8-52, 55-8-54,

55-8-55 and 55-8-56, a corporation may in its articles of incorporation or bylaws or by contract or resolution indemnify or agree to indemnify any one or more of its directors, officers, employees, or agents against liability and expenses in any proceeding (including without limitation a proceeding brought by or on behalf of the corporation itself) arising out of their status as such or their activities in any of the foregoing capacities; provided, however, that a corporation may not indemnify or agree to indemnify a person against liability or expenses he may incur on account of his activities which were at the time taken known or believed by him to be clearly in conflict with the best interests of the corporation. A corporation may likewise and to the same extent indemnify or agree to indemnify any person who, at the request of the corporation, is or was serving as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise or as trustee or administrator under an employee benefit plan. Any provision in any articles of incorporation, bylaw, contract, or resolution permitted under this section may include provisions for recovery from the corporation of reasonable costs, expenses, and attorneys' fees in connection with the enforcement of rights to indemnification granted therein and may further include provisions establishing reasonable procedures for determining and enforcing the rights granted therein.

(b) The authorization, adoption, approval, or favorable recommendation by the board of directors of a public corporation of any provision in any articles of incorporation, bylaw, contract or resolution, as permitted in this section, shall not be deemed an act or corporate transaction in which a director has a conflict of interest, and no such articles of incorporation or bylaw provision or contract or resolution shall be void or voidable on such grounds. The authorization, adoption, approval, or favorable recommendation by the board of directors of a nonpublic corporation of any provision in any articles of incorporation, bylaw, contract or resolution, as permitted in this section, which occurred on or prior to July 1, 1990, shall not be deemed an act or corporate transaction in which a director has a conflict of interest, and no such articles of incorporation, bylaw provision, contract or resolution shall be void or voidable on such grounds. Except as permitted in G.S. 55-8-31, no such bylaw, contract, or resolution not adopted, authorized, approved or ratified by shareholders shall be effective as to claims made or liabilities asserted against any director prior to its adoption, authorization, or approval by the board of directors.

(c) A corporation may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee, or agent of the corporation, or who, while a director, officer, employee, or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liability asserted against or incurred by him in that capacity or arising from his status as a director, officer, employee, or agent, whether or not the corporation would have power to indemnify him against the same liability under any provision of this act.

55-8-58. Application of Part.

(a) If articles of incorporation limit indemnification or advance for expenses, indemnification and advance for expenses are valid only to the extent consistent with the articles.

(b) This Part does not limit a corporation's power to pay or reimburse expenses incurred by a director in connection with his appearance as a witness in a proceeding at a time when he has not been made a named defendant or respondent to the proceeding.

(c) This Part shall not affect rights or liabilities arising out of acts or omissions occurring before July 1, 1990."