

date of consolidation shall be one share of the \$0.25 par value capital stock of the consolidated corporation.

CAPITAL STOCK OF CAROLINA GENERAL LIFE INSURANCE COMPANY, INC.

Each of the \$1.00 par value capital stock of Carolina General Life Insurance Company, Inc. outstanding on the effective date of the consolidation shall be converted into  $1\frac{1}{4}$  shares of the \$0.25 par value capital stock of the consolidated corporation. Certificates for fractional shares of capital stock of the consolidated corporation shall <sup>not</sup> be issued to the stockholders of Carolina General Life Insurance Company, Inc. in connection with such conversion, but, in lieu thereof, the treasurer of the consolidated corporation, acting as agent for the stockholders of Carolina General Life Insurance Company, Inc. entitled to receive fractional shares, may pay the holder of fractional shares from the treasurer a percentage value based on \$7.30 per share of the fraction of Carolina General Life Insurance Company, Inc. stock or the stockholder may pay the additional fraction and receive stock of the consolidated corporation.

EXCHANGE OF CERTIFICATES

After the effective date of the consolidation, each stockholder of an outstanding certificate or certificates theretofore representing capital stock of Carolina General Life Insurance Company, Inc. shall be entitled, upon the surrender of such certificate or certificates at the office or agency of the consolidated corporation designated for the purpose, to receive in exchange, therefore, a certificate or certificates representing the number of whole shares of \$0.25 par value capital stock of the consolidated corporation resulting from the conversion as above provided. The consolidated corporation reserves the right to the stockholders of Carolina General Life Insurance Company that for securities pledged for capital stock in Carolina General Life Insurance Company, Inc.