

(5) No adjustment in the conversion rate shall be required unless such adjustment would require an increase or decrease of at least 1% in such rate; provided, however, that any adjustments which by reason of this subparagraph (5) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section (7) shall be made to the nearest cent or to the nearest one-hundredth of a share, as the case may be.

(6) In case of any capital reorganization or any reclassification of the shares of the corporation (except as provided in subparagraph (1) above), any holder of Series A Preferred Shares, whether theretofore or thereafter issued, upon conversion thereof, shall be entitled to receive, in lieu of the Common Shares to which he would have become entitled upon conversion immediately prior to such reorganization or reclassification, the shares (of any class or classes) or other securities or property of the corporation to which the holders of such Common Shares would have been entitled upon such reorganization or reclassification and in any such case, appropriate provision (as determined by the Board of Directors of the Corporation) shall be made for the application of this Section (7) with respect to the rights and interests thereafter of the holders of Series A Preferred Shares, to the end that this Section (7) (including the adjustments of the conversion rate) shall thereafter be reflected, as nearly as reasonably practicable, in all subsequent conversions of Series A Preferred Shares into any shares or securities or other property thereafter deliverable upon the conversion of Series A Preferred Shares.

(7) Whenever the conversion rate is adjusted pursuant to any of the foregoing provisions of this Section (7), the corporation shall forthwith prepare a written statement signed by the President or a Vice President and the Treasurer or an Assistant Treasurer of the corporation, setting forth the adjusted conversion rate determined as provided in this Section (7), and in reasonable detail the facts requiring such adjustment. Such statement shall be filed among the permanent records of the corporation and a copy thereof shall be furnished to the Transfer Agent for the Series A Preferred Shares and to any holder of Series A Preferred Shares requesting the same, and shall at all reasonable times during business hours be open to inspection by the holders of Series A Preferred Shares. The corporation shall also promptly cause a notice, stating that such an adjustment has been effected and setting forth the adjusted conversion rate, to be mailed, first-class postage prepaid, to all holders of record of outstanding Series A Preferred Shares, at their addresses as the same appear on the stock records.

(c) In case the corporation shall, while any Series A Preferred Shares remain outstanding, enter into any consolidation with or merger into any other corporation wherein the corporation is not the surviving corporation, or sell or convey its property as an entirety or substantially as an entirety, and in connection with such consolidation, merger, sale or conveyance shares or other securities shall be issuable or deliverable in exchange for Common Shares, proper provision shall be made that, on the terms and in the manner provided in this Section (7), the holder of any Series A Preferred Shares may thereafter convert the same into the same kind and amount of securities as may be issuable by the terms of such consolidation, merger, sale or conveyance with respect to the number of Common Shares into which such Series A Preferred Shares are convertible at the time of such consolidation,