

been elected and qualified in accordance with the laws of the State of North Carolina and the Articles of Incorporation and Bylaws of the Surviving Corporation.

4.2 The persons who are the officers of PIEDMONT WELDING SUPPLY COMPANY immediately prior to the Effective Date of the merger shall, after the merger, continue as the officers of the Surviving Corporation without change until their successors have been elected and qualified in accordance with the laws of the State of North Carolina and the Articles of Incorporation and Bylaws of the Surviving Corporation.

ARTICLE V  
MANNER AND BASIS OF CONVERTING SHARES

5.1 Inasmuch as THE NUT & BOLT HOUSE, INC. is a wholly-owned subsidiary of PIEDMONT WELDING SUPPLY COMPANY and PIEDMONT WELDING SUPPLY COMPANY is to be the Surviving Corporation, no cash, shares, other securities or other obligations will be distributed, or issued upon conversion or cancellation of the shares of THE NUT & BOLT HOUSE, INC., and each share of the \$100.00 par value Common Stock of THE NUT & BOLT HOUSE, INC., issued and outstanding on the Effective Date of the merger shall be cancelled and retired and cease to exist by virtue of the merger and without any action on the part of the holder thereof.

5.2 None of the shares of the \$1.00 par value Class A Voting Common Stock nor the \$1.00 par value Class B Nonvoting Common Stock of PIEDMONT WELDING SUPPLY COMPANY issued and outstanding on the Effective Date of the merger shall be converted or altered in any manner as the result of the merger, and each such share of Class A Voting Common Stock shall remain outstanding as one share of \$1.00 par value Class A Voting Common Stock of the Surviving Corporation, and each such share of Class B Nonvoting Common Stock shall remain outstanding as one share of \$1.00 par value Class B Nonvoting Common Stock of the Surviving Corporation.

ARTICLE VI  
DISSENTING SHAREHOLDERS

6.1 The shareholders of the Subsidiary Corporation dissenting to the Plan are entitled upon compliance with Section 33-11-270 of the South Carolina Business Corporation Act, to be paid the fair value of their shares upon compliance with such statutory section.

ARTICLE VII  
TERMINATION OF PLAN

7.1 This Plan may be terminated by the action of the Board of Directors of either of the Constituent Corporations at any time prior to the time that the Articles of Merger with respect to the merger contemplated herein shall be filed with the Secretary of State of the State of North Carolina or with the Secretary of State of the State of South Carolina.