

entitled to a participation, as to assets or dividends, substantially on a parity with such Common Shares or other class of shares into which such Common Shares may have been changed.

No fractions of Common Shares shall be issued upon conversion of Series A Preferred Shares. If more than one share of Series A Preferred Shares shall be surrendered for conversion at one time by the same holder, the number of full shares of Common Shares issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares so surrendered. If any fraction of a Common Share would, except for the provisions of this Section, be issuable on the conversion of any Series A Preferred Shares, the corporation shall make adjustment therefor by payment in cash, in respect of such fraction, of an amount equal to the current market value of such fraction computed on the basis of the last sales price of the Common Shares on the New York Stock Exchange on the last business day prior to the date of conversion, or, if there shall not have been a sale on such last business day, on the basis of the average of the closing bid and asked prices on such Exchange on such last business day or, if the Common Shares shall not be listed on such Exchange, then such value shall be computed on such basis as may from time to time be approved by the Board of Directors of the corporation.

No payment or adjustment shall be made upon any conversion on account of any accrued dividends on the Series A Preferred Shares surrendered for conversion or on account of any dividends on the Common Shares issued on such conversion.

The corporation shall reserve and set apart and have at all times a number of authorized but unissued Common Shares, or other stock or securities deliverable upon conversion pursuant to this Section (7), sufficient to enable it at any time to fulfill its obligations with respect to the conversion of the Series A Preferred Shares under this Section (7).

(b) The conversion rate at which Series A Preferred Shares may be converted into Common Shares shall be one Common Share for each Series A Preferred Share surrendered for conversion, subject to adjustment from time to time as follows:

(1) In case the corporation shall (a) pay a dividend of Common Shares on outstanding Common Shares, (b) subdivide its outstanding Common Shares into a larger number of Common Shares by reclassification or otherwise, or (c) combine its outstanding Common Shares into a smaller number of Common Shares by reclassification or otherwise, the conversion rate in effect immediately prior thereto shall be proportionately adjusted so that the holder of any Series A Preferred Shares thereafter surrendered for conversion shall be entitled to receive the number of Common Shares which he would have owned or have been entitled to receive after the happening of any of the events described above had such Series A Preferred Shares been converted immediately prior to the happening of such event. Such adjustment shall be made whenever any of the events listed above shall occur. An adjustment made pursuant to this subparagraph (1) shall become effective retroactively immediately after the record date in the case of a share dividend and shall become effective immediately after the effective date in the case of a subdivision or combination.