

tion known as the Broad River Brick Company shall be Gaffney, S. C..

3. The amount of the authorized capital stock of the surviving corporation shall be One Hundred Twenty Thousand (\$120,000.00) Dollars, divided into Twelve Hundred (1200) shares of Common stock of the par value of One Hundred (\$100.00) Dollars per share.

4. The said surviving corporation shall have and possess all of the rights, powers, privileges and franchises of each of said constituent corporations so merged, the charter powers of each heretofore having been set forth in the preamble to this Agreement and being generally and substantially as follows:

Manufacturing, buying and selling steel, iron, brick, tile and other ceramics, building products and supplies.

5. Upon completion of the Merger, as provided in this agreement, the issued and outstanding Common stock of Broad River Brick Company shall be converted into and exchanged for Common stock of Greenville Steel & Foundry Company, upon the basis and in the manner as follows:

Each share of Common stock of Broad River Brick Company, upon surrender of same, shall be converted into .0260521 of a share of said Common stock of Greenville Steel & Foundry Company. Until so surrendered and exchanged, each outstanding certificate of said Common stock of Brick Company shall be deemed, for all corporate purposes, including the payment of dividends, to evidence the ownership of said Common stock of Steel Company, into which the said shares of Common stock of Brick Company have been converted, as aforesaid.

Certificates of fractional shares of said Common stock of Steel Company will not be issued. A stockholder entitled to receive a fractional share of said stock of Steel Company, on the basis hereinabove stated, shall have the option to purchase an additional fraction at the book value of Steel Company stock, viz., Six hundred ninety and 54/100 (\$690.54) Dollars per share, to give him a whole share. This option may be exercised only within such time and upon such terms and conditions as shall be fixed by the Board of Directors.