

WHEREAS, the laws of the State of South Carolina permit any two or more corporations organized and existing under and by virtue thereof to consolidate into a single corporation which may be either one of said consolidated corporations; and

WHEREAS, the board of directors of each of the corporations, parties hereto, in consideration of the mutual agreements of each corporation as set forth herein, do deem it advisable and generally to the welfare of the corporations and their respective stockholders, that Palmetto State Life Insurance Company, the party of the first part, consolidate into itself Franklin National Life Insurance Company, the party of the second part, and that Franklin National Life Insurance Company, the party of the second part, be consolidated into Palmetto State Life Insurance Company, the party of the first part.

NOW, THEREFORE, the corporations, parties to this agreement, by and between their respective board of directors, in consideration of the mutual covenants, agreements and provisions hereinafter contained in this agreement, have agreed and do hereby agree each with the other that Palmetto State Life Insurance Company consolidate into itself Franklin National Life Insurance Company and likewise that Franklin National Life Insurance Company be consolidated into Palmetto State Life Insurance Company, pursuant to Chapter 8 of the General Corporation Law of South Carolina, and do hereby agree upon and prescribe the terms and conditions of the consolidation, the mode of carrying the same into effect and the manner and basis of converting the shares of the corporations, parties hereto, into stock of the consolidated corporation, as follows:

ARTICLE I.

Form of Consolidation.

Franklin National Life Insurance Company shall be consolidated and it is hereby consolidated into Palmetto State Life Insurance Company, and Palmetto State Life Insurance Company shall consolidate and it does hereby consolidate into itself Franklin National Life Insurance Company, to be a single corporation, to-wit, the said Palmetto State Life Insurance Company, a corporation organized and existing under the laws of the State of South Carolina, which shall be the consolidated corporation and shall be named Palmetto State Life Insurance Company, and which is hereinafter referred to as the "Consolidated Corporation".

ARTICLE II.

Charter of Consolidated Corporation.

The Charter of Palmetto State Life Insurance Company in effect on the

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