

declare or pay any dividends nor redeem or otherwise retire any shares of its outstanding capital stock nor enter into any transactions of any type other than in the ordinary course of business unless 3/4 of the designated Board of Directors of the consolidated corporation shall agree to such in writing. Carolina General Life Insurance Company shall not be prohibited from continuing to issue the 50,000 shares that have been authorized, placed on the market and are in the process of being sold and issued at the present time.

Article VIII

Effect of Consolidation

This agreement shall be submitted to the stockholders of each of the constituent corporations as provided by the laws of the State of South Carolina and if the same is adopted pursuant to and in accordance with such laws it shall be acknowledged, filed and recorded as provided for by said law; and if this agreement is so adopted and together with the certificates required by said law are so signed, acknowledged, filed and recorded, Banner Insurance Agency, Inc. shall thereupon be consolidated and merge into Carolina General Life Insurance Company and Carolina General Life Insurance Company and Banner Insurance Agency, Inc. shall thereupon become a single corporation in accordance with this agreement, to-wit:

The consolidated corporation for possessing all the rights, privileges, powers, franchises and all property, real, personal and mixed, and all debts to contracts of every kind, nature and distribution and all other things in action or belonging to the corporation shall be vested in the consolidated corporation and no title to real estate or any other assets shall be impaired in any way provided all rights of creditors and all liens upon the property shall be preserved unimpaired and the consolidating corporation shall indemnify and hold harmless the officers and directors of Carolina General Life Insurance Company and Banner Insurance Agency, Inc. against any liabilities and against all claims and

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