

If on the effective date of the consolidation, vacancy shall exist in any directorship of the consolidated corporation or in any of the offices above specified by reason of the inability or failure of any of the above persons to accept a directorship in the consolidated corporation or the respective office above specified, as the case may be, such vacancy may thereafter be filled in the name provided in the by-laws of the consolidated corporation.

#### ARTICLE V

##### Capital Stock and Surplus of Consolidated Corporation

The authorized capital stock of the consolidated corporation upon the effective date of the consolidation shall be as set forth in the charter of the consolidated corporation. The amount by which

(a) the capital account of the consolidated corporation in respect of shares of its capital stock into which shares of the capital stock of Carolina General Life Insurance Company, Inc. shall be converted upon consumation of the consolidation shall be less than the capital account of Carolina General Life Insurance Company Inc. in respect of such converted shares, shall be and constitute surplus of the consolidated corporation available for all corporate purposes including, but not limited to distribution and payment of dividends on or purchase of shares of any class of capital stock of the consolidated corporation.

#### ARTICLE VI

##### Conversion of Securities on Consolidation

The matter of converting the outstanding shares of the capital stock of each of the constituent corporation into shares of capital stock of the consolidated corporation shall be as follows:

CAPITAL STOCK OF THE ESTATE LIFE INSURANCE COMPANY OF AMERICA, INC.

Each share of the \$0.25 par value capital stock of The Estate Life Insurance Company of America, Inc. outstanding on the effective