

prominently displayed, that Shareholders of the subsidiary corporation dissenting to the plan of merger are entitled, upon compliance with Section 33-11-270, Code of Laws for South Carolina, 1976, as amended, to be paid the fair value of their shares.

6. Chapter 53-108.1 of the Business Corporation Act of North Carolina allows mergers without approval of the Shareholders of the surviving corporations under subparagraph (a), where the surviving corporation is the owner of all of the outstanding shares of the constituent corporation. Since GBS owns all of the stock issued and outstanding in Price & Service Building Supplies, Inc. and GBS Lumber, Inc. is initiating this merger, there could be no dissenting stockholder and Section 33-11-270 of the Code of Laws for South Carolina, 1976, as amended, becomes inoperative.

7. All the singular rights, privileges, powers and franchises, lands, tenements, hereditaments, real and personal property, choses in action and property of every kind and description whatsoever whether real, personal and/or mixed belonging to GBS Lumber and Price & Service, respectively, shall be vested in and become the property of GBS, the surviving corporation, to have and to hold the same to the said surviving corporation, its successors and assigns, from the time such merger shall become effective and forever thereafter, no further act, deed, conveyance or assurance being required in the premises.

8. All the debts, contracts and liabilities of every nature whatsoever, for which GBS Lumber, Inc. and Price & Service Building Supplies, Inc., respectively, may be liable, either at law or in equity, shall at the time of said merger be assumed by the said surviving corporation, provided, however, that the rights of creditors and any and all liens upon the property of either of said constituent corporations shall be preserved unimpaired, limited in lien to the property affected by such lien at the time of the merger.

9. On the effective date of the merger, Price & Service Building Supplies, Inc. shall be considered and is hereby declared to be completely merged into GBS Lumber, Inc. within the meaning and intent of Section 33-17-70, et seq., of the Code of Laws for South Carolina, 1976, as amended.

10. The By-Laws of GBS Lumber, Inc. except as may be necessarily modified by this Agreement, are hereby adopted as the By-Laws of the

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