

(iv) The entire authorized capital stock of Atlas consists of 1,000 shares, no par value, common voting stock of which, 33 shares are outstanding. All such issued shares have been validly issued, fully paid and are nonassessable.

(v) The entire authorized capital stock of Circle consists of 1,000 shares, no par value, common voting stock of which, 100 shares are outstanding. All such issued shares have been validly issued, fully paid and are nonassessable.

(vi) The entire authorized capital stock of South consists of 1,000 shares, no par value, common voting stock of which, 1,000 shares are outstanding. All such issued shares have been validly issued, fully paid and are nonassessable.

(vii) The entire authorized capital stock of Twin-City consists of 1,000 shares, no par value, common voting stock of which, 18 shares are outstanding. All such issued shares have been validly issued, fully paid and are nonassessable.

(viii) The entire authorized capital stock of Movie consists of 1,000 shares, \$100 par value, common voting stock of which 36 shares are outstanding. All such issued shares have been validly issued, fully paid and are nonassessable.

(ix) The entire authorized capital stock of Flamingo consists of 1,000 shares, \$100 par value, common voting stock of which 2 shares are outstanding. All such issued shares have been validly issued, fully paid and are nonassessable.

(x) The entire authorized capital stock of University consists of 1,000 shares, no par value, common voting stock of which, 45 shares are outstanding. All of such issued shares have been validly issued, fully paid and are nonassessable.

4. The manner and basis of converting the shares of each merging corporation into shares of the surviving corporation shall be as follows:

- a. The outstanding 30 shares of common stock of Multi are to be exchanged for 8,811 shares of Multi-Cinema, Ltd., the surviving corporation.
- b. The outstanding 33 shares of common stock of Atlas are to be exchanged for 3,959 shares of Multi-Cinema, Ltd., the surviving corporation.
- c. The outstanding 18 shares of common stock of Twin-City are to be exchanged for 2,149 shares of Multi-Cinema, Ltd., the surviving corporation.
- d. The outstanding 36 shares of common stock of