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ARTICLE XI

CONVERSION OF BONDS OF SERIES A

SECTION 1. The holder of any Outstanding Bond or Bonds of Series A in principal sums aggregating \$100 or multiples thereof may, at his election and subject to the provisions of this Article XI, at any time prior to the maturity thereof (except as provided in Section 5 of this Article XI with respect to any Bond called for redemption) convert such Bond or Bonds, but not a part thereof, into stock of the Company upon the basis (except as otherwise provided in Sections 7 and 8 of this Article XI) of one fully paid and non-assessable share of preferred stock of Series B or one fully paid and non-assessable share of common stock for each \$100 principal amount of such Bond or Bonds.

Each such Bond so to be converted, accompanied by all unmaturing interest coupons appertaining thereto, shall be surrendered for that purpose to the Company at its office or agency in the City of Chicago, State of Illinois, or in the Borough of Manhattan, City and State of New York, accompanied by written notice by the holder thereof of his election to convert the same into shares of a particular class of stock, in form satisfactory to the Company, duly executed by the holder thereof or his duly authorized attorney.

The Company shall cancel and deliver to the Corporate Trustee all Bonds so surrendered, and such Bonds shall not be made the basis for the authentication and delivery of any Bonds or the withdrawal, payment or application of any cash under any provision of the Mortgage.

SECTION 2. As soon as practicable after such surrender of any Outstanding Bond of Series A for conversion, the Company shall issue and deliver to or upon the order of the holder of such Bond a certificate for the number of whole shares,

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year, any interest which shall become due and payable on Bonds of Series A on April 1 of each calendar year (other than interest which shall have become payable only by virtue of the call of such Bond for redemption on such April 1) shall be payable on such April 1 with respect to such Bond notwithstanding surrender thereof, and on such April 1 the Company shall pay such interest to or upon the order of the holder of such Bond who surrendered the same for conversion. Except as payment of interest is specifically provided for in the preceding sentence, all rights with respect to any Bond of Series A surrendered for conversion and to all coupons accompanying the same shall cease and determine upon surrender thereof for such purpose.

SECTION 3. Bonds of Series A called for redemption shall be convertible under this Article XI at any time on or before the date fixed for such redemption, or in case said date shall be a legal holiday, then on or before the first business day thereafter.

SECTION 4. The Company covenants that at all times there shall be authorized but unissued, but reserved solely for the purposes of this Article XI, a number of shares of its stock of each such class or classes as shall be sufficient to enable it to comply with the provisions of this Article XI if all Bonds of Series A then outstanding hereunder should be presented for conversion as herein provided.

SECTION 5. If at the time of the proposed conversion of any Bond of Series A, the average consideration per share (in terms of United States dollars) for which the Company shall have issued its then outstanding shares of the class of stock elected by the holder of such Bond, whether issued for cash, property or services rendered, or as a stock dividend, shall be less than \$100 per share, each such Bond shall be

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and scrip for the fraction of a share, if any, of the class of stock issuable upon such conversion. The certificate for whole shares shall be issued in the name of such holder or in such name or names as may be directed by him as of the date of such surrender unless such surrender is made while the books for the transfer of any stock issuable upon such conversion are closed for any purpose, in which case the issuance and delivery of certificates for such stock shall be postponed until the opening of such books. The Company shall pay any tax with respect to the issuance or delivery of certificates and scrip as aforesaid except that it shall not be required to pay any tax with respect to any transfer involved in the issue and delivery of certificates in a name or names other than that of the holder of the Bond upon the surrender of which such certificates shall have been issued, and no such issue or delivery shall be made unless and until the person requesting such issue has paid to the Company the amount of any tax payable upon any such transfer, or has established to the satisfaction of the Company that such tax has been paid.

SECTION 3. In lieu of the issuance of fractions of shares, resulting from any conversion pursuant to this Article XI, and the issuance and delivery of stock certificates with respect thereto, the Company may deliver scrip certificates for such fractions, exchangeable in lots aggregating one or more full shares for stock certificates for the number and class of full shares represented thereby, and the provisions of such scrip certificates may, among other things, authorize the sale of the fractions represented thereby for the account of the holders thereof, and suspend or negative voting and dividend rights with respect to such fractions while such scrip certificates remain outstanding.

SECTION 4. In case any Bond of Series A be surrendered for conversion during the first three months of a calendar

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convertible into a number of shares of such class of stock of the Company determined by dividing the principal amount of such Bond by the amount of such average consideration per share; provided, that in determining such average consideration per share (a) each share issued pursuant to the Plan or pursuant to any conversion of Bonds of Series A or pursuant to any conversion of preferred stock into common stock shall, solely for the purposes of this Article XI, be deemed to have been issued for \$100 per share or such lesser price per share as shall equal the then average consideration per share determined as above provided; (b) each share issued for property or services rendered shall be deemed to have been issued at a price equal to the amount credited to capital stock account of the Company on account of the issuance thereof; and (c) each share issued as a stock dividend or as a split up of outstanding shares shall be deemed to have been issued for zero dollars. Each Bond of Series A presented to the Company for conversion at any time after the Company shall have changed its preferred stock of Series B or its common stock, or both, into a different number of shares with or without par value, or into the same or a different number of shares of stock of any other class or classes, shall be convertible into shares of stock of the Company, of the class or classes into which such stock shall have been changed, and in a number of shares equitably determined according to the basis upon which such change was effected, all to the end that after any such change or changes any holder of a Bond of Series A shall be entitled to receive upon conversion thereof the equivalent of the number and class of stock of the Company he would then have been entitled to receive had such change or changes not taken place.

The Company covenants that, so long as any Bonds of Series A shall be outstanding, no change in the number or