



## **Stock Transfer Procedures**

*(March 2008)*

This document outlines the procedures that must be followed in order to transfer shares of CHX Holdings common stock in a manner recognized by the CHX Holdings transfer agent.

Please note that CHX Holdings reserves the right to amend the required procedures, forms and fees associated with the share transfer process.

### **The Role of the Transfer Agent**

The Office of the Secretary of CHX Holdings currently serves as transfer agent and registrar for CHX Holdings and processes all transfer requests. The Office of the Secretary, however, does not act as a “broker” in bringing together buyers and sellers of CHX Holdings common stock.

### **Finding a Buyer or Seller**

If you wish to buy or sell CHX Holdings common stock, you must independently enter into an arrangement with another person or firm with respect to the transfer of the stock.

There are two primary ways to find a buyer or seller:

- » You may complete the necessary documents to gain access to the “indications of interest” that are posted on the CHX Holdings website. These indications reflect a person’s or firm’s willingness to buy or sell stock at a particular price.
- » You may find a buyer or seller independently (e.g., you might know a person who owns stock as a family friend or as a business acquaintance and might approach that person to determine whether he or she is willing to sell their shares).

Please note that, if you are not yet a CHX Holdings shareholder (or if the other party to your proposed transaction is not yet a shareholder), CHX Holdings typically will provide non-public information about the company to you (or to the other party), only once a confidentiality agreement is signed. This process may take several days. Please be sure to notify the Office of the Secretary if one or more parties to the proposed transaction is not already a CHX Holdings shareholder.

## **Submitting Documents to Complete the Transaction**

Once you have entered into an arrangement to buy or sell CHX Holdings common stock, both you and the person on the other side of the transaction must complete a Stock Transfer Instruction and submit it to the Office of the Secretary, along with other materials, as noted below.

Requests for transfer must meet the following basic requirements (“Basic Transfer Requirements”):

- » A completed Stock Transfer Instruction form, with the *original signatures* of both the transferor and transferee, must be submitted to the Office of the Secretary. Copies and/or facsimile transmissions will not be accepted. *A copy of the Stock Transfer Instruction form is included on the CHX Holdings website.*
- » If a stock certificate was issued to the transferor, the original stock certificate must be manually endorsed by the transferor on the back of the certificate and returned to the Office of the Secretary. *Details about the required endorsement are available from the CHX Holdings Office of the Secretary.*
- » A transfer fee of \$100 must be paid. *Please make checks payable to CHX Holdings, Inc.*

All materials should be sent to the following address:

CHX Holdings, Inc.  
Attn: Office of the Secretary  
440 S. LaSalle Street, Suite 520  
Chicago, IL 60605

Please note that requests to transfer CHX Holdings common stock will not be accepted by the Chicago Stock Exchange Department of Participant Services (formerly the Membership Department). All requests must be sent to CHX Holdings, Office of the Secretary at the address set forth above.

## **Review and Approval of Transfer Request**

Once a request for transfer is submitted, it will be reviewed to ensure that it meets all of the Basic Transfer Requirements.

If the request does not meet the Basic Transfer Requirements, CHX Holdings will reject the documents and return them to the submitting party, along with the transfer fee. CHX Holdings will notify both parties of the reason(s) for rejecting the stock transfer request.

If the Basic Transfer Requirements are met, CHX Holdings will review the request:

- a. To ensure that all amounts due and owing by the transferor to CHX Holdings and/or the Chicago Stock Exchange Inc. have been paid in full. If any amounts remain due and owing from the transferor, transfer will not be permitted until all outstanding amounts have been satisfied.
- b. To determine if the transfer would violate any transfer restrictions set forth in the CHX Holdings Certificate of Incorporation or Bylaws.

If the request meets all of these requirements, CHX Holdings will process the transaction and will send confirmation to both parties. This confirmation typically will be given within two (2) business days after the transfer is recorded on the CHX Holdings stock ledger.

\* \* \*

Some frequently-asked questions and answers about the transfer process are set out below. If you have other questions, comments or suggestions regarding these procedures, please contact the CHX Holdings Office of the Secretary at 312/663-2222.

## FREQUENTLY-ASKED QUESTIONS

**Q: I don't know the person who is willing to buy my stock (or who is willing to sell stock to me). How can I be sure that he or she will take the proper steps to finalize the transaction?**

A: Some parties to these transactions may simply conduct business on a "handshake," trusting that the other party will take the actions that he has said he'd take. Other people may enter into a written agreement that sets out the responsibilities of each party. It's entirely up to you to decide how (or if) to document your arrangement regarding a proposed transfer of stock.

**Q: Who should pay the \$100 transfer fee – the buyer or seller?**

A: This issue should be part of the negotiation between you and the other party to the proposed transaction. The CHX Holdings bylaws or procedures do not contain any specific requirement (other than that the fee must be paid). Having said that, in our experience, the seller typically pays the fee.

**Q: Will I receive a stock certificate that represents my ownership of CHX Holdings common stock?**

A. CHX Holdings common stock is uncertificated – that means that CHX Holdings maintains a record of each stockholder's ownership and does not typically issue stock certificates. Under the CHX Holdings bylaws, however, a stockholder can request that a stock certificate be issued. If you would like to receive a stock certificate, please send a written request to the CHX Holdings Office of the Secretary with a check for \$20. *Please be sure to make the check payable to CHX Holdings, Inc.* We will send you a stock certificate by overnight mail, typically within two business days of receiving your request.

**Q. My firm is changing its name. What documents do I need to submit to CHX Holdings to be sure that the stock is held in the new company name?**

A. You should submit a letter that describes the name change, along with copies of documents filed with the Secretary of State that confirm that the change has occurred. Assuming your documentation is in order, we will change the information on the CHX Holdings stock ledger and confirm the change in writing.

**Q: My firm is being consolidated with an affiliated firm (i.e., with another subsidiary of the same parent firm). Do I need to formally transfer the CHX Holdings common stock to the new entity?**

A: Yes. Please complete a Stock Transfer Instruction that describes the transfer from one affiliated firm to another. You may choose to leave blank the section of the form that asks for a price associated with the transaction. You are not required to pay the \$100 transfer fee for a transfer to an affiliated firm.

**Q: My firm is changing its address. How do I let CHX Holdings know of the change?**

A: Please complete a change of address form (which is available on the website) and fax or mail the form to the Office of the Secretary.

**Q: The contact person listed for my firm has changed jobs and is no longer with the firm. How do I notify CHX Holdings of this change?**

A: The change of address form also contains a section that allows you to identify a new primary contact for your firm. Please complete the form and fax or mail it to the Office of the Secretary.