

(d) In the event of any voluntary or involuntary liquidation or dissolution of the corporation, the holders of the Preferred Stock shall be entitled to receive for each share held, out of the assets of the corporation available for distribution to its stockholders, whether from capital, surplus or earnings, an amount equal to the sum of One (\$1.00) Dollar per share, plus dividends declared thereon but not paid to said date of liquidation or dissolution before any distribution of such assets shall be made to the holders of the common stock; but the holders of the Common Stock shall be entitled thereafter, to the exclusion of the holders of the Preferred Stock, to the remainder of such assets of the corporation available for distribution to the stockholders.

(e) Any thing to the contrary herein notwithstanding, no dividends shall be paid upon any of the capital stock of the corporation, whether Preferred or Common (except with the consent of the holders of a majority of the shares of each class of stock then outstanding given either at a meeting duly called for that purpose, or in writing) until all amortization payments due under the Mortgage insured by the Administrator have been paid, including amortization payments permitted by the terms of such Mortgage to be waived as a result of pre-payments theretofore made, and until a cash fund is provided and reserves are first established and thereafter maintained as set forth below:

(1) A cash fund on hand or in a safe and responsible depository in at least the sum of One Thousand One Hundred (\$1,100.00) Dollars in excess of allocations then required to be made to the reserves below provided and the dividends then to be paid.

(2) A reserve fund for replacements of One Thousand Thirty Eight (\$1,038.00) Dollars per annum by equal monthly allocations to such reserve fund in a separate account in a depository approved in writing by the holders of the Preferred Stock, commencing on the 15th day of the second full calendar month after the completion of the project for occupancy. Such fund shall be maintained in such account in cash or invested in obligations of, or fully guaranteed as to principal and interest by, the United States of America, or may be used to anticipate payments next accruing on any insured mortgage upon the property of the corporation. Disbursements from such fund may be made only upon the direction of the Board of Directors for the purpose of effecting replacements of structural elements of the project or furnishings, or mechanical equipment of the corporation used in connection with the project and for such other purposes as may be consented to in writing by the holders of the Preferred Stock.

(3) After the reserve for replacements provided for in the immediately preceding subdivision, a general reserve in the sum of Five Thousand Two Hundred (\$5,200.00) Dollars. Such reserve may, however, be created and set apart over a period of three years from the completion of the project ready for occupancy by the allocation to such reserve each month of one thirty-sixth ($1/36$) of the amount above specified, commencing on the 15th day of the second full calendar month after the completion of the project for occupancy. Dividends, if otherwise payable under the provisions of this certificate, may be paid in the period during which such reserve is being accumulated after the allocation to such reserve of twelve (12) such monthly requirements and any other monthly requirements then due as hereinabove required. Such fund shall be maintained in cash in a separate account in a depository approved in writing by the holders of the Preferred Stock, or may be invested in obligation of, or fully guaranteed as to principal and interest by, the United States of America, or, in the discretion of the Board of Directors, all or any part thereof may be used to anticipate payments upon the insured mortgage of the corporation. Disbursements from such fund may be made only upon the direction of the Board of Directors, with the prior approval of the holders of the shares of Preferred Stock, for the payment of obligations of the corporation for which no other funds are available.

(f) So long as any of the Preferred Stock shall be outstanding, the holders of the