

or purchased shall be re-issued or otherwise disposed of and no preferred stock shall be issued in lieu thereof and the Corporation shall from time to time cause all such shares so redeemed or purchased to be retired in any manner permitted by law. For the purpose of calculation the "net earnings" of the Corporation for the fiscal year involved shall be the net earnings of the Corporation after the deduction of all reserves and other accounting charges, determined in accordance with sound and accepted accounting principles, including but not limited to taxes and tax reserves.

The Corporation shall not redeem any shares of its second preferred stock and common stock until all of the shares of the first preferred stock shall have been retired or until the funds necessary for the redemption of all of its outstanding shares of first preferred stock shall have been set apart therefor.

The Corporation shall not purchase any shares of its common stock until all of the shares of its first preferred stock and second preferred stock shall have been retired or until the funds necessary for the redemption of all of its outstanding shares of first preferred stock and second preferred stock shall have been set apart therefor.

D. Restriction upon Transfer or Sale -

When any stockholder shall desire to sell his common stock he shall first offer it at its then book value to the Board of Directors for the Corporation, which offer shall be made in writing and the Board of Directors shall be at liberty to purchase the said common stock for the Corporation and the said stockholder shall not be at liberty to sell his stock to any other person or persons until the Corporation, through its Board of