

Section 3. The Class "A" preferred stock of this association may be held by anyone but shall carry no voting rights and may be transferred only on the books of the association. It may be redeemed in whole or in part on a pro rata basis at par, plus any dividends declared thereon and unpaid, at any time upon thirty (30) days' notice by the association. On the failure of the holder or holders to deliver the certificate or certificates evidencing any such stock the association may cancel the same on its books. All such Class "A" preferred stock so redeemed shall be paid for in cash at the par value thereof, plus any dividends declared thereon and unpaid; and such stock shall not bear dividends after it has been called for redemption. Noncumulative dividends of not to exceed eight percent (8%) per annum may be paid thereon when, if and as declared by the board of directors.

Notwithstanding any of the foregoing provisions, the board of directors shall have the power from time to time and at any time to pay off or retire or secure a release or satisfaction of any preferred stock certificates to compromise or settle a dispute between the holder thereof and the association, to settle an estate of a deceased or bankrupt stockholder or to close out a stockholder's interest when he has moved from the territory served by the association.

Upon dissolution or distribution of the assets of the association, the holders of all Class "A" preferred stock shall be entitled to receive the par value of their stock, plus any dividends declared thereon and unpaid, before any distribution