

cate or certificates representing the number of shares of said Preferred stock of ABNEY into which the said Common stock of BELTON and BRANDON, respectively, has been converted, as aforesaid. Until so surrendered and exchanged, each outstanding certificate of Common stock of BELTON and BRANDON, respectively, shall be deemed, for all corporate purposes, including the payment of quarterly dividends, to evidence the ownership of said Preferred stock of ABNEY into which the said shares of Common stock of BELTON and BRANDON, respectively, have been converted, as aforesaid.

Certificates for fractional shares of the said 5% Cumulative Preferred stock of ABNEY, Series of 1949, will not be issued. A stockholder entitled to receive a fractional share of said stock of Abney on the basis hereinabove stated, shall have the option to purchase an additional fraction at par sufficient to give him a whole share. This option may be exercised only within such time and upon such terms and conditions as shall be fixed by the Board of Directors. If not so exercised, the stockholder shall be entitled to receive the cash equivalent at par of the fractional share to which he is entitled.

Abney waives any right to receive shares of said Preferred stock in substitution or exchange for the One Hundred Sixty-Seven Thousand Nine Hundred Forty-Five (167,945) shares or 71.7% of the capital stock of Brandon owned by it and for the Twelve Thousand Three Hundred Thirty-Seven (12,337) shares, or approximately 91%, of the capital stock of BELTON owned by it. BELTON waives any right to receive shares of said Preferred stock in substitution or exchange for the Fifty Thousand Seven Hundred Fifty (50,750) shares of the capital stock of BRANDON owned by it, and for the Four Hundred Sixty-Six (466) shares of its Common capital stock owned and held by it in its treasury.

6. The terms and provisions of the 5% Preferred stock of THE ABNEY MILLS, Series of 1949, shall be as follows:

The holders of the preferred stock shall be entitled to receive when and as declared by the Board of Directors annual dividends from the net profits or earned surplus of the corporation at the rate of 5 per cent per annum and no more, payable quarterly and on such dates as may be fixed by the Board of Directors, with proper adjustment for any dividend period which is less than a full period. Such dividends shall be payable before any dividends shall be paid upon or set apart for the common stock of the corporation and shall be cumulative so that if in any period dividends at the rate of 5 per cent per annum shall not have been paid upon or set apart for the preferred stock, the deficiency shall be fully paid or set apart for payment before