

to vote shall continue so long as four annual dividends shall be in default and unpaid, and no longer.

4. Participation - The preferred stock is not to participate in the profits of the company beyond its fixed, preferential annual dividend of 3%.
5. Redemption - The preferred stock is subject to redemption at the option of the company on any annual dividend due date upon payment of One Hundred and Three Dollars (\$103.00) a share and accumulated dividends, and upon thirty days' notice by mail addressed to the stockholders of record. Such redemption may be pro rata, should less than the entire issue be redeemed. "

FIFTH: Immediately upon this agreement of merger becoming effective, the shares of the Constituent Corporations shall ipso facto and without any other action on the part of the respective holders thereof, become and be converted into shares of stock and securities of the Corporation, as follows:

- (a) Unto H. C. Helgeson 4,140 shares of common stock of the par value of One Hundred Dollars (\$100.00);
- (b) Unto J. G. Meyers 736 shares of common stock of the par value of One Hundred Dollars (\$100.00);
- (c) Unto J. H. Johnson 357 shares of the common stock of the par value of One Hundred Dollars (\$100.00);
- (d) Unto L. A. Lewis 230 shares of the common stock of the par value of One Hundred Dollars (\$100.00);
- (e) Unto Mary O. Pace 118 shares of the common stock of the par value of One Hundred Dollars (\$100.00).

SIXTH: The Corporation is to have perpetual existence.

SEVENTH: The present By-Laws of McKay, insofar as not inconsistent with this agreement of merger, shall be the By-Laws of the Corporation, unless and until altered, amended or repealed as therein provided.

EIGHTH: The number of directors of the Corporation shall be as fixed by the By-Laws, and such number may be changed from time to time by amendment to the By-Laws. The names and respective places of residence of the directors constituting the