

WHEREAS, Upon the effective date hereof the authorized capital stock of Ballenger Paving Company, Inc. will be increased to \$650,000.00, represented by 1500 shares of common stock each having a par value of \$100.00 and by 5000 shares of non-voting preferred stock limited and preferred as to dividends and with the preferences, restrictions and conditions hereinafter set forth, each having a par value of \$100.00;

NOW, THEREFORE, In consideration of the premises and the mutual covenants herein contained, it is agreed as follows:

(1) Grannis & Sloan, Incorporated, shall be and is hereby merged in Ballenger Paving Company, Inc., which latter-named corporation shall maintain its corporate identity and name and its principal place of business in the County of Greenville, State of South Carolina.

(2) The amount of authorized capital stock of Ballenger Paving Company, Inc., shall be \$650,000.00, represented by 1500 shares of common stock each having a par value of \$100.00 and by 5000 shares of non-voting preferred stock, each share having a par value of \$100.00 and having the following preferences, restrictions and conditions:

- (a). The dividend rate of the preferred stock is five per cent per annum, payable on the first day of February in each year, which shall be cumulative and which shall be paid before any dividends can be paid upon the common stock.
- (b) The preferred stock may be redeemed and retired on any dividend payment date upon the payment of \$105.00 per share and accrued and unpaid dividends.
- (c) Upon the dissolution and liquidation of the corporation for any purpose, the holders of the then outstanding shares of preferred stock shall be entitled to receive the par value of the preferred stock, plus any accrued and unpaid dividends thereon.
- (d) Except as herein provided, the holders of the preferred stock shall not be entitled to any share of the assets or profits of the corporation.
- (e) The Corporation shall not, without the consent of the holders of two-thirds of the aggregate par value of the outstanding preferred stock, create any mortgage lien or incumbrance upon the real or personal property of the corporation, except purchase-money liens or mortgages, nor issue any stock having superior or equal rights or privileges.

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