

(f) The holders of the preferred stock shall not be entitled to vote at any meeting of the stockholders.

(g) The corporation shall have a lien upon each share of preferred stock for any indebtedness due it from the holder thereof. Transfer of preferred stock may be made in person or by attorney only, on the books of the corporation, in a transfer book kept for that purpose. Certificates of preferred stock shall be surrendered and cancelled at the time of the transfer.

(h) No transfer of preferred stock shall be made within ten (10) days next preceding the day appointed for paying a dividend.

(3) Ballenger Paving Company, Inc. shall have the following objects, purposes and powers:

To engage in construction work of all kinds; to carry on and conduct a general engineering and contracting business; to construct, alter, remodel, improve, erect and demolish buildings and structures of every kind, roads, highways, bridges, culverts, piers, docks, water docks and machinery; all iron, steel, wood, masonry and earth construction; to own, use, purchase, lease, mortgage and trade in equipment and machinery and all forms of property and facilities; to acquire, own and operate quarries, gravel pits and similar properties, including real estate, improved and unimproved, and to lease same to or from others; to transport for hire goods, wares, merchandise, building materials and other products of merchandise of every description; to purchase, take, receive, or otherwise acquire, hold, own, pledge, transfer, or otherwise dispose of its own shares; to enter into any lawful arrangement for sharing profits, union of interest, reciprocal association, or co-operative association with any corporation, association, partnership, individual, or other legal entity, for the carrying on of any business, the purpose of which is similar to the purposes set forth in the foregoing enumeration, and to enter into any general or limited partnership, the purpose of which is similar to such purposes; and to have and exercise all powers necessary or convenient to effect any or all of the purposes for which the corporation is organized.

(4) The basis of exchange of shares of the corporations hereby merged shall be as follows:

(A) All the common stock of Ballenger Paving Company, Inc. now issued and outstanding shall be surrendered, cancelled and retired and in exchange for 1.625 shares of said common stock there shall be issued one share of common stock of Ballenger Paving Company, Inc. and 6.25 shares of said preferred stock of Ballenger Paving Company, Inc.

(B) All of the preferred stock of Grannis & Sloan, Incorporated, issued and outstanding as of the effective date of this agreement shall be surrendered, cancelled and retired and in exchange for 20.6557 shares of said preferred stock there shall be issued one share of

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