

is made on the Class "B" preferred stock or the common stock but shall not further participate in the assets of the association.

Section 4. The Class "B" preferred stock of this association shall be issued in annual series, 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 by series 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, provided said stock is redeemed in the same order as originally issued by years, and provided further there is no outstanding Class "A" preferred stock. 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. Stock which has been redeemed may, in the discretion of the board of directors, be reissued or retired. All such Class "B" 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