

(a) declare or pay any dividends or make any other distribution on any of its capital stock of any class (other than cash dividends on shares of any class of such stock ranking prior to the Common Stock in respect of dividends or assets at the rate applicable to such shares under the Certificate of Incorporation of the Company, as amended, and other than dividends on Common Stock paid solely in shares of Common Stock of the Company), or

(b) purchase, redeem or otherwise retire for a consideration any shares of its capital stock of any class (otherwise than in a transaction involving the purchase, redemption or retirement of shares of capital stock of the Company, other than its Common Stock, in exchange for or from the proceeds of the substantially simultaneous sale of other shares of capital stock of the Company), except any shares of any class of stock ranking prior to the Common Stock in respect of dividends or assets which may be purchased, redeemed or otherwise retired to the extent required to comply with the provisions of any sinking fund applicable to such shares under the Certificate of Incorporation of the Company, as amended,

if

(i) any such dividend is declared to be payable more than 75 days after the date of declaration; or

(ii) after giving effect to such proposed dividend, distribution, purchase or retirement, the aggregate amount so declared or distributed for all such dividends or distributions or expended for all such purchases or retirements after December 31, 1957, plus the amount of any cash dividends paid on any shares of its capital stock of any class ranking prior to its Common Stock (other than amounts so paid which represent the disbursement of sums received by the Company as accrued dividends as a part of the selling price of any such shares) after December 31, 1957 to and including the date of declaration, in the case of a dividend, or the date of payment, in any other case, would exceed the aggregate net earnings of the Company, computed as hereinafter in this Section provided, for said period from December 31, 1957 to and including such date of declaration or date of payment, as the case may be, plus the sum of \$30,000,000, less the amount of expenditures for the retirement for sinking fund purposes of any shares of any class of stock of the Company ranking prior to the Common Stock in respect of