been or is to be sold or transferred by the Company or any subsidiary to such lender or investor, or (*ii*) which has been or is to be acquired from another person by such lender or investor, or on which one or more buildings have been or are to be constructed by such lender or investor, for the purpose of leasing such property to the Company or any subsidiary;

(h) Discount or sell with recourse, or sell for less than the face value thereof, any of its notes receivable or accounts receivable; or

(i) Enter into or be a party to any contract for the purchase of materials, supplies or other property if such contract requires that payment for such materials, supplies or other property shall be made regardless of whether or not delivery is ever made of such materials, supplies or other property; provided that the foregoing shall not prohibit contracts requiring payment for materials, supplies or other property prior to delivery thereof.

§ 6.15. The Company will not, without the prior written consent of the holders of Bonds of 1975 Series at the time outstanding as provided in § 17.04, (i) pay or declare any dividend on any class of its stock, or make any other distribution on account of any class of its stock, or redeem, purchase, or otherwise acquire, directly or indirectly, any shares of its stock or any Subordinated Debentures, or make any payment of principal of any Subordinated Debentures [all of the foregoing being hereinafter referred to as "restricted payments"], except out of consolidated net earnings available for restricted payments, nor (ii) redeem, purchase or otherwise acquire, directly or indirectly, or make any payment of principal of, any Subordinated Debentures prior to January 1, 1970, nor (iii) redeem, purchase or otherwise acquire, directly or indirectly, or make any payment of principal of, any Subordinated Debentures if the amount expended by the Company for such purposes in any calendar year exceeds the lesser of $500,000 or 40% of consolidated net earnings for the preceding calendar year.

"Consolidated net earnings available for restricted payments" shall mean an amount equal to (1) 80% of consolidated net earnings for the period (taken as one accounting period) commencing on January 1, 1961, and terminating at the end of the last fiscal quarter preceding the date of any proposed restricted payment, less (2) the sum of the following amounts (determined as of the time immediately preceding the making of any proposed restricted payment): (a) the aggregate amount of all dividends and other distributions paid or declared by the Company on any class of its stock after December, 31, 1960, (b) the excess of the aggregate amount expended, directly or indirectly, after December 31, 1960, for the redemption, purchase or other acquisition of any shares of its stock over the aggregate amount received after December 31, 1960, as the proceeds of the sale of any shares of its stock, and (c) the excess of the aggregate amount expended, directly or indirectly, after December 31, 1960, for the payment of principal of, or (excluding accrued interest) for the redemption, purchase or other acquisition of, any Subordinated Debentures over the aggregate amount received after December 31, 1960 as the proceeds of the sale of any Subordinated Debentures. There shall not be included in any computation of restricted payments or of consolidated net earnings available for restricted payments: (x) dividends payable in stock of the Company; or (y) exchanges of stock of one or more classes of the Company, except to the extent that cash or other property (the value of which shall be determined by the Board of Directors) is involved in such exchange. This covenant shall not apply to any purchase, redemption, acquisition or principal payment of Subordinated Debentures in order to refund Subordinated Debentures with other Subordinated Debentures as permitted by § 6.14(b)(3).

§ 6.16. The Company will not, without the prior written consent of the holders of Bonds of 1975 Series at the time outstanding as provided in § 17.04, (*i*) make any payments of interest on Subordinated Debentures, except as required by the terms thereof and as permitted by the subordination provisions relating thereto, or (*ii*) redeem, purchase or otherwise acquire, or make any payments of principal of, Subordinated Debentures except as permitted by the subordination provisions relating thereto and the provisions of § 6.15 hereof, or (*iii*) make or consent to any amendment of the Subordinated Debentures or Convertible Notes, or any indenture or other agreement relating thereto, which would advance the maturity thereof or otherwise increase the amounts

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