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ARTICLES OF MERGER

OF

PENNSALT CHEMICALS CORPORATION,  
a Pennsylvania corporation

and

WALLACE & TIERNAN INC.,  
a Delaware Corporation

To: Department of State  
Commonwealth of Pennsylvania

Pursuant to Section 903 of the Pennsylvania Business Corporation Law, Act of May 5, 1933, P.L. 364, Pennsalt Chemicals Corporation, a Pennsylvania corporation, and Wallace & Tiernan Inc., a Delaware corporation, do hereby execute these Articles of Merger:

1. The surviving corporation shall be Pennsalt Chemicals Corporation, a Pennsylvania corporation, whose name shall be changed upon the effectiveness of the merger to PENNWALT CORPORATION ("PENNWALT"), and the registered office of PENNWALT is Three Penn Center, Philadelphia, Pennsylvania 19102.
2. The other party to the merger is Wallace & Tiernan Inc., a Delaware corporation qualified to do business in Pennsylvania with its registered office in Delaware at 100 West 10th Street, Wilmington, Delaware and its registered office in Philadelphia at 123 S. Broad Street, Philadelphia, Pennsylvania, c/o C.T. Corporation System.
3. Pursuant to resolutions adopted by the Board of Directors of Pennsalt Chemicals Corporation and Wallace & Tiernan Inc., the Plan and Agreement of Merger, referred to in paragraph 4 below, was submitted to shareholders of the respective corporations for their approval and adoption at separate meetings held on February 27, 1969. At their respective meetings, holders of more than a majority of the issued and outstanding shares of the Common Stock and the \$2.50 Cumulative Convertible Preference Stock of Pennsalt Chemicals Corporation approved and adopted the Plan and Agreement of Merger in accordance with Section 902 of the Business Corporation Law of Pennsylvania and holders of more than two-thirds of the issued and outstanding Common Stock of Wallace & Tiernan approved and adopted the Plan and Agreement of Merger in accordance with Section 251 of the Delaware Corporation Law.

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4. The Plan and Agreement of Merger dated as of January 2, 1969 between Pennsalt Chemicals Corporation and Wallace & Tiernan Inc. is attached hereto and incorporated herein by reference.

IN WITNESS WHEREOF, the parties to the Plan and Agreement of Merger have caused these Articles of Merger to be executed under the seal of each corporation and signed by two duly authorized officers of each corporation this 29<sup>th</sup> day of March, 1969.



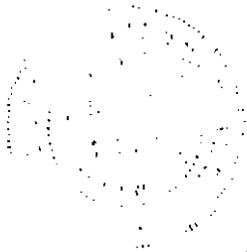
PENNSALT CHEMICALS CORPORATION

By William E. Yuttk  
Vice President

By Richard M. Walker  
Assistant Secretary

WALLACE & TIERNAN INC.

[SEAL]



By Charles H. Rybolt  
President

By Joe C. Cornwall  
Secretary

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Exhibit A

PLAN AND AGREEMENT OF MERGER

This Plan and Agreement of Merger (the "Agreement") is dated as of January 2, 1969, and is executed by Pennsalt Chemicals Corporation ("Pennsalt"), a Pennsylvania corporation, and Wallace & Tiernan Inc. ("Wallace & Tiernan"), a Delaware corporation (such two corporations are herein sometimes called collectively the "Constituent Corporations"), to evidence the undertakings on their parts set forth below.

1. The parties to this Agreement and the merger contemplated hereby (the "Merger") are Pennsalt and Wallace & Tiernan. Pennsalt shall be the Surviving Corporation in the Merger, and is herein sometimes so called, and its name shall after the Merger be PENNWALT CORPORATION.

2. The authorized capital stock of Pennsalt consists of 10,962,811 shares divided into two classes consisting of 962,811 shares of Voting Preference Stock with a par value of \$1 per share ("Preference Stock") and 10,000,000 shares of Common Stock with a par value of \$3 per share ("Pennsalt Common Stock"), of which there were outstanding at the date of this Agreement 403,453 shares of a series of Preference Stock denominated the "\$2.50 Cumulative Convertible Preference Stock" (the "First Series Preference Stock"), and 4,854,975 shares of Common Stock, all of which have been duly authorized and issued and are fully paid and nonassessable. An additional 605,180 shares of Pennsalt Common Stock were reserved at such date for issuance upon conversion of the First Series Preference Stock, 106,424 shares were reserved for issuance upon exercise of outstanding qualified and restricted stock options theretofore granted to employees of Pennsalt, and 111,543 shares were reserved for issuance pursuant to Pennsalt's Employee Stock Purchase Plan. Except for the shares of Pennsalt Common Stock referred to in the immediately preceding sentence, there exists no other option, warrant, pre-emptive right or commitment relating to Pennsalt's stock.

3. The authorized capital stock of Wallace & Tiernan consists of 8,500,000 shares divided into two classes consisting of 1,000,000 shares of Preferred Stock with a par value of \$50 per share and 7,500,000 shares of Common Stock with a par value of \$0.50 per share ("Wallace & Tiernan Common"). There were outstanding at the date of this Agreement 4,687,687 shares of Wallace & Tiernan Common and no shares of Preferred Stock. All outstanding shares of Wallace & Tiernan Common have been duly authorized and issued and are fully paid and nonassessable. An additional 130,006 shares of Wallace & Tiernan Common were reserved for issuance at such date upon exercise of outstanding qualified and restricted stock options theretofore granted to employees of Wallace & Tiernan, and 49,500 shares were reserved for issuance pursuant to the terms of an agreement between Wallace & Tiernan and the shareholders of Food Industries Corporation dated August 19, 1968. Except for the shares of Wallace & Tiernan Common referred to in the immediately preceding sentence, there exists no other option, warrant, pre-emptive right or commitment relating to Wallace & Tiernan's stock.

4. The Pennsalt Common Stock, the First Series Preference Stock and the Wallace & Tiernan Common are each entitled to vote as a class on the Merger.

5. Pennsalt has delivered to Wallace & Tiernan (a) consolidated balance sheets of Pennsalt and its consolidated subsidiaries for the calendar years 1965, 1966 and 1967 and related statements of capital surplus, consolidated earnings and retained earnings for such years, certified by its independent certified public accountants, and (b) an unaudited consolidated balance sheet of Pennsalt and its consolidated subsidiaries as at September 30, 1968, and a consolidated statement of income for the nine months' period then ended, together with the opinion of the chief accounting officer of Pennsalt relating thereto. Pennsalt represents and warrants that:

(i) all such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied during those periods and fairly present the financial position of Pennsalt and its consolidated subsidiaries on the dates indicated and the results of their operations for the periods then ended;

(ii) since September 30, 1968, there has not been any material adverse change in its business or financial condition or properties; and

(iii) the statements made in paragraph 2 hereof are true and correct.

6. Wallace & Tiernan has delivered to Pennsalt (a) consolidated balance sheets of Wallace & Tiernan and its consolidated subsidiaries for the calendar years 1965, 1966 and 1967 and related statements of capital surplus, consolidated earnings and retained earnings for such years, certified by its independent certified public accountants, and (b) an unaudited consolidated balance sheet of Wallace & Tiernan and its consolidated subsidiaries as at September 30, 1968, and a consolidated statement of income for the nine months' period then ended, together with the opinion of the chief accounting officer of Wallace & Tiernan relating thereto. Wallace & Tiernan represents and warrants that:

(i) all such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied during those periods and fairly present the financial position of Wallace & Tiernan and its consolidated subsidiaries on the dates indicated and the results of their operations for the periods then ended;

(ii) since September 30, 1968 there has not been any material adverse change in its business or financial condition or properties; and

(iii) the statements made in paragraph 3 hereof are true and correct.

7. On the Effective Date determined as provided in paragraph 20 hereof, Wallace & Tiernan shall be merged with and into Pennsalt, which shall be the Surviving Corporation under the laws of the Commonwealth of Pennsylvania, the directors of which shall be those named in paragraph 21 hereof; the separate existence of Wallace & Tiernan shall cease; and the Merger shall be effected and accomplished in accordance with the applicable provisions of the Business Corporation Law of Pennsylvania and the General Corporation Law of Delaware.

8. The Articles of Incorporation of Pennsalt shall on the Effective Date be amended and restated in their entirety to read as set forth in Exhibit I hereto.

9. Each outstanding share of the Pennsalt Common Stock and First Series Preference Stock shall after the Effective Date be, respectively, one outstanding share of Common Stock and one outstanding share of First Series Preference Stock of the Surviving Corporation.

10. The manner and basis of converting the shares of Wallace & Tiernan Common into shares of stock of the Surviving Corporation shall be as follows:

(a) Upon the Effective Date each share of Wallace & Tiernan Common then outstanding (except any shares of such stock then held in the treasury of Wallace & Tiernan, which shall cease to exist) shall be converted into and become, without any action on the part of the holder thereof, one-half of one share of Common Stock of the Surviving Corporation and one-half of one share of the series of Voting Preference Stock of the Surviving Corporation denominated in the restated Articles of Incorporation of Pennsalt attached hereto as Exhibit I as the "Second Series Cumulative Convertible Preference Stock" (the "Second Series Preference Stock").

(b) After the Effective Date the former holders of Wallace & Tiernan Common, on the surrender of certificates representing shares of such stock to the Surviving Corporation or its agent, shall be entitled to receive in exchange certificates representing the number of whole shares of Common Stock and Second Series Preference Stock of the Surviving Corporation into which the shares of Wallace & Tiernan Common theretofore represented by the surrendered certificates shall have been converted. Until so surrendered, each outstanding certificate which, prior to the Effective Date, represented Wallace & Tiernan Common shall be deemed for all corporate purposes to evidence ownership of such number of shares of stock of the Surviving Corporation into which the shares of Wallace & Tiernan Common which, prior to the Effective Date, were represented thereby have been so converted; provided, however, that no dividends declared with respect to such stock of the Surviving Corporation shall be paid to the holder of any unsundered certificate which, prior to the Effective Date, represented shares of Wallace & Tiernan Common until such holder shall surrender such certificate, at which time the holder shall be paid the amount of dividends, without interest, which theretofore became payable with respect to the shares of stock of the Surviving Corporation into which the shares of Wallace & Tiernan Common evidenced by such certificate have been converted.

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(c) The stock transfer books of Wallace & Tiernan shall be closed on the Effective Date, and holders of Wallace & Tiernan Common of record as of that date shall be the shareholders entitled to the exchange of their certificates for certificates representing Common Stock and Second Series Preference Stock of the Surviving Corporation. In the event any transfer of ownership of shares of Wallace & Tiernan Common has occurred, or occurs after the Effective Date, which is not registered in the stock transfer books of Wallace & Tiernan, certificates representing shares of Common Stock and Second Series Preference Stock of the Surviving Corporation shall be issued to such transferee upon presentation to the Surviving Corporation or its agent of the certificates representing such shares of Wallace & Tiernan Common duly endorsed or assigned and accompanied by such documents as may be required to evidence such transfer and by the amount of any stock transfer or other taxes due in respect thereof.

(d) Fractional shares of stock of the Surviving Corporation will not be issued, but in lieu thereof the agent referred to in paragraph 10(b) will be instructed that it shall, acting as the agent of each shareholder of Wallace & Tiernan who would otherwise be entitled to fractional shares of stock of the Surviving Corporation and in accordance with instructions received from any such shareholder at any time within 60 days after the Effective Date, either (i) sell such shareholder's fractional interests for his account and remit the net proceeds to him or (ii) purchase for his account the fractional interests to be combined with his fractional interests so as to make full shares of the Common Stock and Second Series Preference Stock of the Surviving Corporation and deliver the certificates against payment for the fractional interests purchased. Promptly after the expiration of the 60 day period following the Effective Date, such agent will sell for the respective accounts of the holders of such remaining fractional interests as may then exist, as indicated by the certificates theretofore representing Wallace & Tiernan Common which have not been surrendered for exchange, that number of whole shares of Common Stock and of Second Series Preference Stock of the Surviving Corporation which is equivalent to the aggregate of such respective remaining fractional interests. Such agent will thenceforth and until six years after the Effective Date pay to each such former holder of Wallace & Tiernan Common, upon surrender of his certificate or certificates, his pro rata share of the proceeds of such sale without interest. The proceeds, if any, of such sale remaining after the expiration of such six year period shall be paid over to and shall become the property of the Surviving Corporation, free and clear of all claims or interests of any person previously entitled thereto.

11. Each outstanding option to purchase Wallace & Tiernan Common shall on the Effective Date be assumed by the Surviving Corporation with the effect that immediately after the Effective Date, such option shall relate to (i) a number of whole shares of Common Stock of the Surviving Corporation equal to the number of shares of Wallace & Tiernan Common subject to such option multiplied by .5, any resulting fractional shares being disregarded, and (ii) a number of whole shares of Second Series Preference Stock of the Surviving Corporation equal to the number of shares of Wallace & Tiernan Common subject to such option multiplied by .5, any resulting fractional shares being disregarded, and the exercise price for each unit consisting of one share of Common Stock and one share of Second Series Preference Stock of the Surviving Corporation under such option shall be the exercise price per share of Wallace & Tiernan Common payable in accordance with the terms and provisions of such option divided by .5. After the Effective Date the foregoing number of shares of Common Stock and Second Series Preference Stock of the Surviving Corporation and the exercise prices therefor shall be subject to further adjustment in accordance with the terms and provisions of such options.

12. Wallace & Tiernan if requested by the Surviving Corporation or by its successors or assigns will execute and deliver such deeds and other instruments and take or cause to be taken such other or further action as the Surviving Corporation may deem necessary or desirable in order to vest or perfect in, or confirm of record or otherwise to, the Surviving Corporation title to and possession of all of its property, rights, privileges, powers or franchises, and otherwise to carry out the purposes of this Agreement.

13. The Surviving Corporation shall pay all the expenses of carrying this Agreement into effect and of accomplishing the Merger, but if this Agreement is terminated and abandoned each of the Constituent Corporations shall pay all expenses incurred by it in connection therewith.

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14. After the date hereof and prior to the Effective Date, neither of the Constituent Corporations shall:

(a) without the prior approval of the Board of Directors of each of the Constituent Corporations, issue or sell, or issue options or rights to subscribe to, any shares of its capital stock (including any reclassification thereof) or any security convertible into its capital stock, except for the issuance of shares presently reserved for issuance as stated in paragraphs 2 and 3 hereof;

(b) change, by charter amendment or otherwise, the rights of its outstanding capital stock;

(c) without the prior approval of the Board of Directors of each of the Constituent Corporations, declare or pay any dividend on, or make any distribution in respect of, any shares of its capital stock, except for regular quarterly dividends payable at the same rates and approximately the same times as such dividends were paid by each of the Constituent Corporations in 1968; or

(d) without the consent of the other, enter into any material transaction or incur any material commitment except in the ordinary course of business.

15. The obligation of each of the Constituent Corporations to effect the Merger shall be subject to the following conditions:

(a) The representations and warranties of the other Constituent Corporation herein contained shall be substantially accurate in all material respects, and the other Constituent Corporation shall have performed all obligations and complied with all covenants required by this Agreement to be performed or complied with by it prior to the Effective Date;

(b) The carrying out of the terms of this Agreement shall not conflict with or result in a breach of, or constitute a default under, any agreement or instrument to which the other Constituent Corporation is a party except to the extent that the same shall have been cured by waiver, consent or otherwise;

(c) The Internal Revenue Service shall have issued rulings satisfactory to each of the Constituent Corporations substantially to the effect that:

(i) the merger of Wallace & Tiernan into the Surviving Corporation will constitute a reorganization within the meaning of Section 368(a)(1)A of the Internal Revenue Code of 1954;

(ii) except to the extent recognized in the sale of fractional interests by Wallace & Tiernan shareholders, no gain or loss will be recognized to either of the Constituent Corporations or their respective shareholders as a consequence of the Merger; and

(iii) the shares of the Second Series Preference Stock to be distributed to the Wallace & Tiernan shareholders will not constitute "Section 306 stock" to such shareholders or, if they do, such shares will not, because of the provisions of Section 306(b)(4) of the Internal Revenue Code of 1954, be subject to the application of Section 306(a) of the Code; and

(d) This Agreement shall have been duly adopted by the shareholders of both Constituent Corporations in accordance with the laws of their respective states of incorporation.

16. The obligation of Pennsalt to effect the Merger shall be subject to the following further conditions:

(a) Wallace & Tiernan shall have delivered to Pennsalt a certificate dated the Effective Date signed by two of its officers to the effect that the representations and warranties of Wallace & Tiernan herein contained are true as of such date with the same effect as though made on such date except in so far as the number of outstanding shares of Wallace & Tiernan Common may have been increased by reason of the exercise of option rights, or pursuant to the acquisition agreement referred to in paragraph 3 hereof; and that Wallace & Tiernan has performed all obligations and complied with all covenants required by this Agreement to be performed or complied with by it prior to the Effective Date.

(b) All transactions contemplated hereby and the form and substance of all legal proceedings and of all papers used or delivered hereunder shall be acceptable to Messrs. Dechert, Price & Rhoads, counsel for Pennsalt, to the extent requested by Pennsalt.

(c) Pennsalt shall have received a favorable opinion dated the Effective Date from Messrs. Shea Gallop Ollmenko & Gould, counsel for Wallace & Tiernan, in form and substance satisfactory to Pennsalt and its counsel, to the effect that the corporate existence, good standing and authorized and issued stock

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of Wallace & Tiernan are as stated in the certificate delivered pursuant to paragraph 16(a) hereof; that, except as may be specified by said counsel (such exceptions to be acceptable to Pennsalt), they do not know of any material litigation, proceeding or governmental investigation or labor dispute pending or threatened against or relating to Wallace & Tiernan or any of its subsidiaries or its or their property or business; that all corporate and other proceedings required to be taken by or on the part of Wallace & Tiernan to authorize and to carry out this Agreement and to effect the Merger have been duly and properly taken; and that this Agreement is the valid obligation of Wallace & Tiernan, legally binding upon it in accordance with its terms. Such opinion shall also cover such other matters incident to the transactions herein contemplated as Pennsalt and its counsel shall reasonably request.

(d) Pennsalt shall have received from each person or group of persons reasonably deemed by Pennsalt to be "affiliates" of Wallace & Tiernan within the meaning of Rule 133 under the Securities Act of 1933, as amended, a written statement in form and substance satisfactory to Pennsalt and its counsel to the effect that each such person or group of persons is receiving the shares of stock of the Surviving Corporation for his, her or its own account and not for or with a view to resale or other transfer thereof, except as any such sale or transfer may be permitted by Rule 133.

(e) Pennsalt shall have received from each person or group of persons of the class referred to in paragraph 16(d) his, her or its written agreement to the effect that during the period of two years, commencing on the Effective Date, he, she, or it will not sell or otherwise dispose of more than 25% in the first year or more than 50% in the first two years of each class of the stock of the Surviving Corporation received by him, her or it in the Merger.

17. The obligation of Wallace & Tiernan to effect the Merger shall be subject to the following further conditions:

(a) Pennsalt shall have delivered to Wallace & Tiernan a certificate dated the Effective Date signed by two of its officers to the effect that the representations and warranties of Pennsalt herein contained are true as of such date with the same effect as though made on such date except in so far as the number of outstanding shares of Pennsalt Common Stock may have been increased by reason of the exercise of the options or conversion rights referred to in paragraph 2 hereof; and that Pennsalt has performed all obligations and complied with all covenants required by this Agreement to be performed or complied with by it prior to the Effective Date.

(b) All transactions contemplated hereby and the form and substance of all legal proceedings and of all papers used or delivered hereunder shall be acceptable to Messrs. Shea Gallop Climenko & Gould, counsel for Wallace & Tiernan, to the extent requested by Wallace & Tiernan.

(c) Wallace & Tiernan shall have received a favorable opinion dated the Effective Date from Messrs. Dechert, Price & Rhoads, counsel for Pennsalt, in form and substance satisfactory to Wallace & Tiernan and its counsel, to the effect that the corporate existence, good standing and authorized and issued stock of Pennsalt are as stated in the certificate delivered pursuant to paragraph 17(a) hereof; that, assuming the due delivery and filing of all documents necessary to effect the Merger, the shares of Common Stock and of Second Series Preference Stock of the Surviving Corporation which are to be issued pursuant to the terms of this Agreement will be validly authorized and issued and will be at the time fully paid and nonassessable, and the shares of Common Stock of the Surviving Corporation issuable upon conversion of the Second Series Preference Stock will be validly authorized and will be fully paid and nonassessable when so issued upon such conversion; that, except as may be specified by said counsel (such exceptions to be acceptable to Wallace & Tiernan), they do not know of any material litigation, proceeding or governmental investigation or labor dispute pending or threatened against or relating to Pennsalt or any of its subsidiaries or its or their property or business; that all corporate and other proceedings required to be taken by or on the part of Pennsalt to authorize and to carry out this Agreement and to effect the Merger have been duly and properly taken; and that this Agreement is the valid obligation of Pennsalt, legally binding upon it in accordance with its terms. Such opinion shall also cover such other matters incident to the transactions herein contemplated as Wallace & Tiernan and its counsel shall reasonably request.

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(d) All shares of the Second Series Preference Stock and of Common Stock of the Surviving Corporation issuable pursuant to this Agreement, and all shares of the Common Stock into which the Second Series Preference Stock is convertible, shall have been duly listed on the New York Stock Exchange, subject to official notice of issuance, on the Effective Date.

18. Anything herein or elsewhere to the contrary notwithstanding, this Agreement may be terminated and abandoned:

(a) by the Board of Directors of either of the Constituent Corporations at any time prior to its adoption by the shareholders of each of the Constituent Corporations;

(b) by mutual consent of the Boards of Directors of the Constituent Corporations at any time prior to the Effective Date;

(c) by the Board of Directors of either of the Constituent Corporations if, prior to the Effective Date, any of the conditions to its obligation set forth in paragraphs 15, 16 or 17 of this Agreement, as appropriate, shall not have been met, or if in its judgment the Merger becomes inadvisable or impracticable by reason of new legislation, Federal or State, or the institution or threat of litigation or proceedings against either or both of the Constituent Corporations challenging the legality of the Merger; or

(d) by the Board of Directors of either of the Constituent Corporations if the Merger has not been effected before July 1, 1969.

19. Each Constituent Corporation may at any time waive any of the terms or conditions of this Agreement by action taken by its Board of Directors; provided that such action shall be taken only if, in the judgment of the Board of Directors taking the action, such waiver will not have any material adverse effect on the benefits intended under this Agreement for the shareholders of its corporation.

20. This Agreement shall be submitted to the shareholders of the Constituent Corporations as provided by the laws of their respective states of incorporation, and following adoption thereof by the shareholders of each of the Constituent Corporations, in accordance with the requirements of such laws, there shall be filed such documents, executed in such manner, as may be necessary to effect the Merger. The Merger shall become effective as of the close of business on the date of such filing, and such date and time is herein referred to as the "Effective Date" of the Merger.

21. On the Effective Date of the Merger the following shall constitute the Board of Directors of the Surviving Corporation, who shall hold office until the next annual meeting of the shareholders and until their successors are elected and have qualified:

<u>Name</u>	<u>Address</u>
Gerald W. Blakeley, Jr. ....	10 Otis Place, Boston, Mass. 02108
James F. Bodine .....	1200 Old Gulph Rd., Rosemont, Pa. 19010
Robert T. Browning .....	173 Tennyson Drive, Short Hills, N. J. 07078
John A. Cantrell .....	669 Clovelly Lane, Devon, Pa. 19333
Henry M. Chance II .....	Warren Avenue, Malvern, Pa. 19355
C. Malcolm Davis .....	Old Farm Road, R.D. #1, Basking Ridge, N. J. 07120
Jess H. Davis .....	Hoxie House, Castle Point, Hoboken, N. J. 07030
William P. Drake .....	2111 Buttonwood Rd., Berwyn, Pa. 19312
Charles B. Graco .....	Goshen Road, West Chester, Pa. 19380
W. Alfred LaLande, Jr. ....	542 E. Gravers Lane, Wyndmoor, Pa. 19118
H. F. O'Brien .....	62 Stewart Road, Short Hills, N. J. 07078
Dr. Jonathan E. Rhoads .....	131 W. Walnut Lane, Phila., Pa. 19144
Charles H. Rybolt .....	34 Rock Spring Road, West Orange, N. J. 07052
J. Tyson Stokes .....	1113 Beech Road, Rosemont, Pa. 19010

If on the Effective Date any vacancy exists on the Board of Directors it will be filled in the manner provided in the bylaws of the Surviving Corporation.

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22. The Surviving Corporation, at the request of any former shareholders of Wallace & Tiernan referred to in paragraph 16(d), given in writing at or before the Effective Date, will at their expense file promptly after the Effective Date a registration statement under the Securities Act of 1933 with respect to such number of shares of Common Stock and of Second Series Preference Stock of the Surviving Corporation as such shareholders indicate they propose to distribute to the public, and the shares of Common Stock of the Surviving Corporation into which such shares of Second Series Preference Stock are convertible, and will use its best efforts to cause such registration statement to become effective as soon as possible after its filing.

23. The Surviving Corporation agrees that it may be served with process in the State of Delaware in any proceeding for enforcement of any obligation of W&T or any obligation of the Surviving Corporation arising from the Merger, and does hereby irrevocably appoint the Secretary of State of the State of Delaware as its agent to accept service of process in any such proceeding by mailing a copy of such process to the Surviving Corporation at Three Penn Center, Philadelphia, Pennsylvania 19102.

24. This Agreement may be executed in any number of counterparts, each of which shall be an original.

IN WITNESS WHEREOF, each of the Constituent Corporations has caused this Plan and Agreement of Merger to be signed by its officers thereunto duly authorized and its corporate seal to be hereunto affixed as of the day and year first above written.

(CORPORATE SEAL)

PENNSALT CHEMICALS CORPORATION

Attest: J. GORDON LOOUE  
Secretary

By WILLIAM P. DRAKE  
William P. Drake, President

(CORPORATE SEAL)

WALLACE & TIERNAN INC.

Attest: JOSEPH C. CORNWALL  
Secretary

By CHARLES H. RYBOLT  
Charles H. Rybolt, President

**EXHIBIT I**

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to

**Plan and Agreement of Merger dated as of January 2, 1969**

by and between

**Pennsalt Chemicals Corporation and**

**Wallace & Tiernan Inc.**

**AMENDED AND RESTATED ARTICLES OF INCORPORATION  
OF  
PENNWALT CORPORATION**

Pennsalt Chemicals Corporation, pursuant to the provisions of Section 902A(3) of the Pennsylvania Business Corporation Law, Act of May 5, 1933, P.L. 364, as amended, and incident to the merger of Wallace & Tiernan Inc., a Delaware corporation, into Pennsalt Chemicals Corporation as the surviving corporation, hereby amends and restates its Articles of Incorporation in their entirety so that the same shall read in full as follows:

**FIRST.** The name of the Company is **PENNWALT CORPORATION**.

**SECOND.** The location of its registered office is Three Penn Center, Philadelphia, Pennsylvania.

**THIRD.** The purpose or purposes of the Company are to produce, manufacture, buy, sell and deal in chemical substances and compounds, and to explore for and exploit properties containing such substances or other minerals; and in addition to produce, manufacture, buy, sell, own, lease and deal in all kinds of property and to engage in all kinds of commercial and industrial enterprises.

**FOURTH.** The Company was originally chartered in 1850 and rechartered in 1879; its existence shall continue to be 999 years from the date it was so rechartered.

**FIFTH.** The aggregate number of shares of capital stock which the Company has authority to issue is 20,000,000 shares, divided into two classes consisting of 5,000,000 shares of Voting Preference Stock of the par value of \$1 each (hereafter called "Preference Stock") and 15,000,000 shares of Common Stock of the par value of \$1 each (hereafter called "Common Stock").

**PART A**

The following is a description of each class of shares of the capital stock of the Company, a statement of the preferences, qualifications, limitations, restrictions and the special or relative rights granted to or imposed upon them, and a statement of the authority of the board of directors to fix by resolution the voting rights, designations, preferences, qualifications, privileges, limitations, options, conversion rights, and other special rights of any series of the Preference Stock.

**PREFERENCE STOCK**

1. *Issue in Series.* Preference Stock may be issued from time to time in one or more series, each to have the terms stated herein and in the resolution of the board of directors providing for their issue. All shares of any one series of Preference Stock shall be identical, and all series of Preference Stock shall rank equally and be identical except as permitted hereunder.

2. *Creation of Series.* The board of directors of the Company shall have authority by resolution to divide the Preference Stock into one or more series, in addition to the two such series the special terms of which are set forth in Part B below as part of these restated Articles of Incorporation, and to determine with respect to each such series the special rights thereof and limitations thereon to the full extent permitted by law, including, without limitation, the voting rights, if any, the distinctive serial designation, the rate of dividend, the times of payment of dividends and the dates from which dividends shall cumulate, the price at and terms and conditions on which shares may be redeemed, the amounts payable upon shares in event of voluntary or involuntary liquidation, dissolution, or winding up of the Company, sinking fund provisions for the redemption or purchase of shares, and the terms and conditions on which shares may be converted in the event the shares of any series are issued with the privilege of conversion.

3. *Dividends.*

(a) Holders of Preference Stock shall be entitled to receive, when and as declared by the board of directors, dividends at the rate fixed for shares of such series, and no more. Such dividends shall be cumulative from the date fixed for shares of each series, but accruals of dividends will not bear interest.

(b) If dividends for any dividend period are not paid in full, holders of all shares of Preference Stock shall participate ratably in any dividends paid for such period, in proportion to the full amounts of dividends for such period to which they are entitled.

4. *Preference on Liquidation.* In the event of the voluntary or involuntary liquidation, dissolution or winding up of the Company, holders of each series of Preference Stock shall be entitled to receive the amount fixed for such series plus an amount equal to all dividends accumulated thereon to the date of final distribution whether or not earned or declared. If the assets of the Company are not sufficient to pay such amounts in full, holders of all shares of Preference Stock shall participate ratably in the distribution of assets in proportion to the full amounts to which they are entitled. Neither the merger nor consolidation of the Company into or with any other corporation, nor a sale, transfer or lease of all or part of its assets, shall be deemed a liquidation, dissolution or winding up of the Company within the meaning of this paragraph.

5. *Redemption.*

(a) Except as otherwise hereafter provided, the Company at the option of the board of directors may redeem all or part of the shares of any series of Preference Stock on the terms and conditions fixed for such series. Notice of the redemption date shall be mailed to the holders of record of the shares to be redeemed at their addresses shown on the books of the Company at least 30 days in advance of the date designated for redemption. In case of the redemption of less than all outstanding shares of any series of Preference Stock, the shares to be redeemed shall be selected by lot or in such other manner as the board of directors determines.

(b) If on or before the specified redemption date, the Company deposits the necessary funds with a bank or trust company in Philadelphia, Pennsylvania, or in New York, New York, in trust to be applied to the redemption of the shares to be redeemed, then from and after the date of such deposit such shares shall no longer be deemed outstanding and all rights of the holders thereof shall cease except the right (i) to receive the redemption price without interest, and (ii) to exercise on or before the specified redemption date any privileges of conversion or exchange to which the holders are then entitled. Any amounts not claimed by the holders of shares so called for redemption within six years after the specified redemption date shall be paid to the Company by the depository, which shall thereby be relieved of all responsibility in respect thereof and such holder shall thereafter look only to the Company for the payment of the redemption price. Any interest accrued on funds so deposited shall be paid to the Company.

(c) If the Company is in default with respect to any dividend payable on or any sinking or purchase fund requirement relating to shares of Preference Stock, the Company without the affirmative vote or consent of the holders of at least two-thirds of the Preference Stock then outstanding, regardless of series, shall not redeem or purchase less than all of the Preference Stock.

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**6. Certain Action by the Company.**

(a) Without the affirmative vote or consent of the holders of at least two-thirds of the Preference Stock then outstanding, the Company will not (i) create another class of stock ranking prior to the Preference Stock as to dividends or upon liquidation, or increase the authorized number of shares of any such other class, or (ii) change the preferences, qualifications, limitations, restrictions or special or relative rights of the Preference Stock in any manner adverse to the holders thereof, provided that if any such change would affect any particular series materially and adversely as contrasted with the effect upon any other series, no such change may be made without, in addition, the vote or consent of the holders of at least two-thirds of the particular series so affected, and further provided that if any such change would not be in any manner adverse to the holders of any series of Preference Stock, the vote or consent of the holders of such series will not be required by this paragraph 6(a) and the shares of such series will be deemed to be not then outstanding for purposes of this paragraph 6(a).

(b) Without the affirmative vote or consent of the holders of at least a majority of the Preference Stock then outstanding, the Company will not (i) take any action specified in paragraph 6(a) which would affect any particular series materially and adversely as contrasted with the effect on any other series of Preference Stock, (ii) increase or decrease the par value or increase the authorized number of shares of Preference Stock, or (iii) create any class of stock ranking on a parity with the Preference Stock as to dividends or upon liquidation, or increase the authorized number of shares of any such class.

**7. Special Voting Rights of Preference Stock.**

(a) In addition to any other voting rights enjoyed by holders of Preference Stock, whenever dividends payable on any series of such stock are in default in an aggregate amount equivalent to six full quarterly dividends per share, the number of directors of the Company shall be increased by two and the holders of Preference Stock shall have the right, voting separately as a class without regard to series, to elect two directors of the Company to fill the vacancies thereby created. Such right may be exercised initially at a special meeting of such holders or at any annual meeting of shareholders, and thereafter at annual meetings of shareholders, and shall continue until all dividends accumulated on the Preference Stock have been paid in full, whereupon such right shall terminate subject to re-vesting in the event of any subsequent like default in dividend payments.

(b) The Secretary of the Company shall call a meeting of the holders of Preference Stock to be held within 60 days after they become entitled to elect two members of the board of directors as above provided. The directors elected at such meeting shall continue in office until the next annual meeting of the shareholders and until their successors are elected and qualified, except that the term of office of such directors or their successors shall terminate automatically at such time as all dividends accumulated on the Preference Stock have been paid in full.

(c) Any vacancy among the directors elected by the holders of Preference Stock shall be filled by the remaining such director, if any, otherwise by vote of holders of Preference Stock at a meeting called as provided above.

**COMMON STOCK**

**8. Dividends.** Holders of Common Stock shall be entitled to receive such dividends as may be declared by the board of directors, except that the Company will not declare, pay or set apart for payment any dividend on shares of Common Stock (other than dividends payable in Common Stock), or directly or indirectly make any distribution on, redeem, purchase or otherwise acquire any such shares, if at the time of such action the Company is in default with respect to any dividend payable on or any sinking or purchase fund requirement relating to shares of Preference Stock.

**9. Distribution of Assets.** In the event of the voluntary or involuntary liquidation, dissolution or winding up of the Company, holders of Common Stock shall be entitled to receive pro rata all of the remaining assets of the Company available for distribution to its shareholders after all amounts to which the holders of Preference Stock are entitled have been paid or set aside in cash for payment.

**10. Voting Rights.** Shares of Common Stock shall have general power to vote in the election of directors and for all other purposes, on the basis of one vote per share.

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PART B

The following is a statement of the voting rights, designations, preferences, qualifications, privileges, limitations, options, conversion rights and other special rights of the first two series of Preference Stock.

Subpart 1: First Series of Preference Stock

1. *Designation of Series.* The series shall be designated the \$2.50 Cumulative Convertible Preference Stock (hereafter called the "First Series").

2. *Number of Shares.* The number of shares of the First Series shall be 440,642, less the number of such shares which shall have been converted into shares of Common Stock prior to the date these restated Articles of Incorporation become effective, which number from time to time may be increased or decreased (but not below the number of shares of the series then outstanding) by resolution of the board of directors of the Company.

3. *Dividends.* The dividend rate of shares of the First Series shall be \$2.50 per share per annum in cash, and no more, which shall be payable quarterly on the first day of February, May, August and November of each year. Dividends shall cumulate from July 1, 1966.

4. *Redemption.* Shares of the First Series shall be redeemable in whole or in part at any time or times after July 1, 1971, but not earlier. The redemption price shall be \$85 per share in the first year when redeemable and shall decrease 50 cents on the first day of July of each succeeding year until it reaches \$75 per share which shall thereafter remain the redemption price, plus in each case an amount equal to all dividends accumulated on such shares to the date fixed for redemption whether or not earned or declared.

5. *Liquidation.* The amount payable upon shares of the First Series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company shall be \$75 per share, plus an amount equal to all dividends accumulated thereon to the date of final distribution whether or not earned or declared, and no more.

6. *Conversion Rights.* Any holder of shares of the First Series may convert any or all of such shares into fully paid and nonassessable shares of Common Stock of the Company (hereafter called "Common Stock") on the terms, at the times, and in the manner hereinafter set forth.

(a) Shares of the First Series may be converted at any time into shares of Common Stock at the rate of one and one-half shares of Common Stock for each share of the First Series, such rate to be subject to adjustment as hereinafter provided, except that as to any shares of such series which are called for redemption pursuant to paragraph 4 hereof the right of conversion shall terminate at the close of business on the fifth day prior to the date fixed for redemption. Upon conversion no adjustment shall be made for dividends either on the shares being converted or on the Common Stock issued thereupon.

(b) Any holder of shares of the First Series who elects to convert them shall surrender the certificate therefor at the principal office of any Transfer Agent for such shares, with the form of written notice endorsed on such certificate of his election to convert them completed. If necessary under the circumstances such certificate shall be endorsed for transfer or accompanied by executed instruments of transfer, together with such other transfer papers as the Transfer Agent may reasonably require. The Company or such Transfer Agent may require, as a condition to the exercise of the conversion privilege, the payment of any transfer tax or other governmental charge (but not any tax payable upon the issue of stock deliverable upon such conversion) that may be imposed upon any transfer incidental or prior to the conversion, or the submission of proper proof that the same has been paid. The conversion privilege shall be deemed to have been exercised, and the shares of Common Stock issuable upon such conversion shall be deemed to have been issued, upon the date the Transfer Agent receives for conversion the certificate representing such shares with the requirements for conversion satisfied, except that as to any shares of such series which are surrendered for conversion on a date which is less than five business days preceding the date fixed for the determination of holders of Common Stock entitled to receive rights to subscribe for or to purchase shares of Common Stock or other securities of the Company convertible into Common Stock, the conversion privilege shall be deemed to have been exercised on the business day next succeeding the date fixed for such determination. Each person entitled to receive the Common Stock issuable upon such conversion shall from the same date be treated as the record holder of such Common Stock, and the person who surrenders such shares for conversion shall on that date cease to be treated as the record holder of the shares surrendered.

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(c) The Company shall not issue in connection with the conversion of shares of the First Series certificates for a fraction of one share of Common Stock, but in lieu thereof shall pay to any person who would otherwise be entitled thereto an amount of cash equal to such fraction multiplied by the Market Price of the Common Stock on the last business day of the week preceding the week in which the conversion privilege was deemed to have been exercised. As used herein, "Market Price" means the closing sales price of the Common Stock (or if there were no sales the closing bid price) on the principal stock exchange on which the Common Stock is then listed, or if it is not so listed the closing bid price on the New York over-the-counter market.

(d) As soon as practicable after the effective date of conversion of any shares of the First Series, the Company shall deliver to the person or persons entitled thereto, at the principal office of the Transfer Agent at which such stock was surrendered for conversion, certificates representing the shares of Common Stock and any cash to which such person or persons shall be entitled on such conversion.

(e) The conversion rate set forth in subparagraph (a) of this paragraph 6 shall be subject to adjustment as follows:

(i) if the Company subdivides the outstanding shares of its Common Stock into a greater number of shares or combines them into a smaller number of shares, the conversion rate in effect immediately prior to such subdivision or combination shall be proportionately increased or decreased effective at the opening of business on the day following the day upon which such subdivision or combination becomes effective;

(ii) if the Company fixes a record date for the purpose of determining the holders of shares of Common Stock entitled to receive any dividend in Common Stock, the conversion rate in effect immediately prior to such record date shall be proportionately increased effective at the opening of business on the day following such record date, provided that if for any reason the plan to pay such dividend in Common Stock is legally abandoned before payment, then any adjustment made in the conversion rate by reason of the passage of such record date shall be cancelled as of the date the plan is abandoned; and

(iii) the issuance to holders of Common Stock of the Company of rights to subscribe to Common Stock at a price lower than 90% of the Market Price (defined above) thereof as of the close of business on the last business day of the week preceding such issuance of rights shall be deemed to constitute payment of a dividend in Common Stock of that number of shares which is determined by dividing the Market Price per share as of such time into the difference between (A) the total Market Price as of such time of the number of shares purchasable upon exercise of such rights and (B) the total offering price of such shares.

(f) In case of

(i) any reclassification or change of the Common Stock of the Company other than a change in its par value, or a change from par value to no par value, or a case provided for in subparagraph (c) of this paragraph 6, or

(ii) a merger or consolidation in which the Company is not the continuing corporation,

provision shall be made so that holders of the First Series shall thereafter have the right to convert each share thereof into the kind and amount of shares of stock or other securities or property receivable upon such reclassification, change, merger or consolidation by a holder of the number and kind of shares of capital stock of the Company into which such shares of the First Series were convertible immediately prior thereto. In any such case the board of directors shall determine the manner in which the adjustments provided for in subparagraph (c) of this paragraph 6 shall thereafter be made.

(g) Whenever the conversion rate is required to be adjusted:

(i) the Company shall file a certificate setting forth such adjusted conversion rate and the facts upon which the adjustment is based with the Transfer Agents for shares of the First Series and the Transfer Agents for the Common Stock and thereafter (until further adjusted) the adjusted conversion rate shall be as set forth in such certificate; and

(ii) the Company shall mail notice of such adjusted conversion rate to each holder of shares of the First Series.

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(h) So long as any shares of the First Series remain outstanding, and the holders have the right to convert them, the Company shall reserve from the authorized and unissued shares of its Common Stock a sufficient number of shares to provide for such conversion.

7. *Voting Rights.* Except as provided below, holders of shares of the First Series shall have the general power to vote in the election of directors and for all other purposes, on the basis of one vote per share. Holders of shares of the First Series shall not have the general power to vote (i) on any matters on which they are entitled to vote as a series or as part of the class of Preference Stock, regardless of series, or (ii) in the election of directors during any period when they are entitled to vote as part of the class of Preference Stock, regardless of series, to elect two directors as provided in Paragraph 7 of Part A.

Subpart 2: Second Series of Preference Stock

1. *Designation of Series.* The series shall be designated the Second Series Cumulative Convertible Preference Stock (hereafter called the "Second Series").

2. *Number of Shares.* The number of shares of the Second Series shall be 2,433,597, which number from time to time may be increased or decreased (but not below the number of shares of the series then outstanding) by resolution of the board of directors of the Company.

3. *Dividends.* The dividend rate of shares of the Second Series shall be as follows:

(a) until June 30, 1971, the dividend rate shall be \$1.25 per share per annum in cash, and no more, and

(b) beginning July 1, 1971, the dividend rate shall be \$1.60 per share per annum in cash, and no more; and dividends shall be payable quarterly on the first day of February, May, August and November of each year. Dividends shall cumulate on each share of the Second Series as follows:

(i) from the date of issue, if issued prior to the date on which dividends on the Second Series first became payable;

(ii) from the last preceding payment date, if issued after a payment date for the Second Series and on or before the next succeeding record date; and

(iii) from the next succeeding payment date, if issued after the record date for a dividend on the Second Series and on or before the payment date of such dividend.

Notwithstanding the foregoing, if any share of the Second Series is issued at a time when there is a default in the payment of dividends on outstanding shares of the Second Series, then such share shall be entitled to cumulative dividends from the date to which cumulative dividends have been paid or declared and set aside for payment on each outstanding share of the Second Series.

4. *Redemption.* Shares of the Second Series shall be redeemable in whole or in part at any time or times after the fifth anniversary of the date of their issue, but not earlier. The redemption price shall be \$43 per share in the first year when redeemable and shall decrease 25 cents on each succeeding anniversary of the date of issue until it reaches \$38 per share which shall thereafter remain the redemption price, plus in each case an amount equal to all dividends accumulated on such shares to the date fixed for redemption whether or not earned or declared.

5. *Liquidation.* The amount payable upon shares of the Second Series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company shall be \$38 per share, plus an amount equal to all dividends accumulated thereon to the date of final distribution whether or not earned or declared, and no more.

6. *Conversion Rights.* Any holder of shares of the Second Series may convert any or all of such shares into fully paid and nonassessable shares of Common Stock of the Company (hereafter called "Common Stock") on the terms, at the times, and in the manner hereinafter set forth.

(a) Shares of the Second Series may be converted at any time into shares of Common Stock at the rate of .58 shares of Common Stock for each share of the Second Series, such rate to be subject to adjust-

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ment as hereinafter provided, except that as to any shares of such series which are called for redemption pursuant to paragraph 4 hereof the right of conversion shall terminate at the close of business on the fifth day prior to the date fixed for redemption, unless default shall be made in the payment of the redemption price. Upon conversion no adjustment shall be made for dividends either on the shares being converted or on the Common Stock issued thereupon.

(b) Any holder of shares of the Second Series who elects to convert them shall surrender the certificate therefor at the principal office of any Transfer Agent for such shares, with the form of written notice endorsed on such certificate of his election to convert them completed. If necessary under the circumstances such certificate shall be endorsed for transfer or accompanied by executed instruments of transfer, together with such other transfer papers as the Transfer Agent may reasonably require. The Company or such Transfer Agent may require, as a condition to the exercise of the conversion privilege, the payment of any transfer tax or other governmental charge (but not any tax payable upon the issue of stock deliverable upon such conversion) that may be imposed upon any transfer incidental or prior to the conversion, or the submission of proper proof that the same has been paid. The conversion privilege shall be deemed to have been exercised, and the shares of Common Stock issuable upon such conversion shall be deemed to have been issued, upon the date the Transfer Agent receives for conversion the certificate representing such shares with the requirements for conversion satisfied, except that as to any shares of such series which are surrendered for conversion on a date which is less than five business days preceding the date fixed for the determination of holders of Common Stock entitled to receive rights to subscribe for or to purchase shares of Common Stock or other securities of the Company convertible into Common Stock, the conversion privilege shall be deemed to have been exercised on the business day next succeeding the date fixed for such determination. Each person entitled to receive the Common Stock issuable upon such conversion shall from the same date be treated as the record holder of such Common Stock, and the person who surrenders such shares for conversion shall on that date cease to be treated as the record holder of the shares surrendered.

(c) The Company shall not issue in connection with the conversion of shares of the Second Series certificates for a fraction of one share of Common Stock, but in lieu thereof shall pay to any person who would otherwise be entitled thereto an amount of cash equal to such fraction multiplied by the Market Price of the Common Stock on the last business day of the week preceding the week in which the conversion privilege was deemed to have been exercised. As used herein, "Market Price" means the closing sales price regular way of the Common Stock (or if there were no sales the closing bid price) on the principal stock exchange on which the Common Stock is then listed, or if it is not so listed the closing bid price regular way on the New York over-the-counter market.

(d) As soon as practicable after the effective date of conversion of any shares of the Second Series, the Company shall deliver to the person or persons entitled thereto, at the principal office of the Transfer Agent at which such stock was surrendered for conversion, certificates representing the shares of Common Stock and any cash to which such person or persons shall be entitled on such conversion.

(e) The conversion rate set forth in subparagraph (a) of this paragraph 6 shall be subject to adjustment as follows:

(i) if the Company subdivides the outstanding shares of its Common Stock into a greater number of shares or combines them into a smaller number of shares, the conversion rate in effect immediately prior to such subdivision or combination shall be proportionately increased or decreased effective at the opening of business on the day following the day upon which such subdivision or combination becomes effective;

(ii) if the Company fixes a record date for the purpose of determining the holders of shares of Common Stock entitled to receive any dividend in Common Stock, the conversion rate in effect immediately prior to such record date shall be proportionately increased effective at the opening of business on the day following such record date, provided that if for any reason the plan to pay such dividend in Common Stock is legally abandoned before payment, then any adjustment made in the conversion rate by reason of the passage of such record date shall be cancelled as of the date the plan is abandoned; and

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(iii) the issuance to holders of Common Stock of the Company of rights to subscribe to Common Stock at a price lower than 90% of the Market Price (defined above) thereof as of the close of business on the last business day of the week preceding such issuance of rights shall be deemed to constitute payment of a dividend in Common Stock of that number of shares which is determined by dividing the Market Price per share as of such time into the difference between (A) the total Market Price as of such time of the number of shares purchasable upon exercise of such rights and (B) the total offering price of such shares.

(f) In case of

(i) any reclassification or change of the Common Stock of the Company other than a change in its par value, or a change from par value to no par value, or a case provided for in subparagraph (e) of this paragraph 6, or

(ii) a merger or consolidation in which the Company is not the continuing corporation,

provision shall be made so that holders of the Second Series shall thereafter have the right to convert each share thereof into the kind and amount of shares of stock or other securities or property receivable upon such reclassification, change, merger or consolidation by a holder of the number and kind of shares of capital stock of the Company into which such shares of the Second Series were convertible immediately prior thereto. In any such case the board of directors shall determine the manner in which the adjustments provided for in subparagraph (e) of this paragraph 6 shall thereafter be made.

(g) Whenever the conversion rate is required to be adjusted:

(i) the Company shall file a certificate setting forth such adjusted conversion rate and the facts upon which the adjustment is based with the Transfer Agents for shares of the Second Series and the Transfer Agents for the Common Stock and thereafter (until further adjusted) the adjusted conversion rate shall be as set forth in such certificate; and

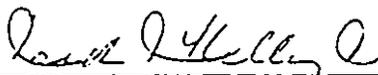
(ii) the Company shall mail notice of such adjusted conversion rate to each holder of shares of the Second Series.

(h) So long as any shares of the Second Series remain outstanding, and the holders have the right to convert them, the Company shall reserve from the authorized and unissued shares of its Common Stock a sufficient number of shares to provide for such conversion.

7. *Voting Rights.* Except as provided below, holders of shares of the Second Series shall have the general power to vote in the election of directors and for all other purposes, on the basis of .58 of a vote per share. Holders of shares of the Second Series shall not have the general power to vote on any matters on which they are entitled to vote as a series or as a part of the class of Preference Stock, regardless of series, except such holders shall still be entitled to vote generally in the election of directors when they are also entitled to vote as part of the class of Preference Stock.

Filed in the Department of State on the 31st day of March,

A. D. 1969.



Secretary of the Commonwealth

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# Commonwealth of Pennsylvania



DEPARTMENT OF STATE

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

WHEREAS, under the provisions of Article IX of the Business Corporation Law (Act of May 5, 1933, P. L. 364), as amended, the Department of State is authorized and required to issue a

### CERTIFICATE OF MERGER

evidencing the merger of any one or more domestic corporations, and any one or more foreign corporations into one of such domestic corporations under the provisions of that law:

AND WHEREAS, The stipulations and conditions of that law relating to the merger of such corporations have been fully complied with by WALLACE & TIERNAN INC., a Delaware corporation, and PENNSALT CHEMICALS CORPORATION, a Pennsylvania corporation whose Articles are therein restated in their entirety, and henceforth shall not include any prior documents.

IT IS, THEREFORE, CERTIFIED, That from the Articles of Merger filed with the Department of State, it appears that WALLACE & TIERNAN INC., the Delaware corporation, has been merged into PENNSALT CHEMICALS CORPORATION, the Pennsylvania corporation, which name is hereby changed to

PENNWALT CORPORATION

THEREFORE, KNOW YE, That subject to the Constitution of this Commonwealth, and under authority of the Business Corporation Law, I DO BY THESE PRESENTS, which I have caused to be sealed with the Great Seal of the Commonwealth, hereby declare that the Pennsylvania corporation shall be the surviving corporation, under the name, style and title of

PENNWALT CORPORATION

and shall continue to be invested with all the franchises and be subject to all the duties of a domestic business corporation under the Business Corporation Law and all other applicable laws of this Commonwealth.



GIVEN under my Hand and the Great Seal of the Commonwealth, at the City of Harrisburg, this 31st day of March in the year of our Lord one thousand nine hundred and sixty-nine and of the Commonwealth the one hundred and ninety-third.

*Louis I. Keller*  
Secretary of the Commonwealth  
Lmk sat

# Commonwealth of Pennsylvania



April 16, 1969

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

IN RE: 'Pennsalt Chemicals Corporation' now  
"PENNWALT CORPORATION"

I, JOSEPH J. KELLEY, JR., Secretary of the Commonwealth  
of the Commonwealth of Pennsylvania do hereby certify that the foregoing  
and annexed is a true and correct photocopy of Articles of Merger  
restating Articles of Incorporation in their entirety and Certificate  
of Merger  
which appear of record in this Department.



IN TESTIMONY WHEREOF, I have  
hereunto set my hand and caused the  
seal of the Secretary's Office to be  
affixed, the day and year above  
written.

*Joseph J. Kelley, Jr.*

Secretary of the Commonwealth

APR 21 1969