

BOOK R 95 FEB 198

[CONFORMED COPY]

AGREEMENT OF MERGER, dated as of August 27, 1970, between THE ERVIN COMPANY, a Delaware corporation, and CYANAMID DEVELOPMENT COMPANY, a Delaware corporation, and AGREEMENT AND PLAN OF REORGANIZATION, dated as of August 27, 1970, among THE ERVIN COMPANY, CYANAMID DEVELOPMENT COMPANY and AMERICAN CYANAMID COMPANY, a Maine corporation and the owner of all of the issued and outstanding capital stock of CYANAMID DEVELOPMENT COMPANY.

WHEREAS, the respective Boards of Directors of THE ERVIN COMPANY and CYANAMID DEVELOPMENT COMPANY deem it advisable and in the best interests of each of THE ERVIN COMPANY and CYANAMID DEVELOPMENT COMPANY and of their respective stockholders that THE ERVIN COMPANY be merged into CYANAMID DEVELOPMENT COMPANY pursuant to Subchapter IX of the General Corporation Law of the State of Delaware, in a transaction intended to qualify as a "reorganization" as that term is used in Section 368 of the Internal Revenue Code of 1954; and

WHEREAS, CYANAMID DEVELOPMENT COMPANY and its stockholder and THE ERVIN COMPANY and its stockholders are unable to agree upon the value of THE ERVIN COMPANY and therefore wish to provide for a contingent payment arrangement as part of the Merger Agreement between CYANAMID DEVELOPMENT COMPANY and THE ERVIN COMPANY.

Now, THEREFORE, it is agreed as follows:

ARTICLE I

DEFINITIONS

As used herein the following terms shall have the following meanings:

Claims List: The list of claims, actions, suits, proceedings and other matters referred to in § 3.01(k) prepared by ERVIN and identified by the parties with reference to this Agreement.

Contract List: The list of the contracts of the ERVIN Companies and the ERVIN Joint Ventures referred to in § 3.01(j) prepared by ERVIN and identified by the parties with reference to this Agreement.

Cumulative Excess Earnings: This term is defined in § 2.04(d).

Cumulative Net Earnings: This term is defined in § 2.04(g).

CYANAMID: American Cyanamid Company, a Maine corporation.

CYANAMID Common Stock: Shares of the Common Stock, par value \$5 per share, of CYANAMID.

DEVELOPMENT: Cyanamid Development Company, a Delaware corporation.

DEVELOPMENT Common Stock: Shares of stock, without par value, of DEVELOPMENT.

Effective Date of the Merger: This term is defined in § 2.05.

ERVIN: The Ervin Company, a Delaware corporation.

ERVIN Common Stock: Shares of the Common Stock, par value \$1 per share, of ERVIN.

ERVIN Companies: ERVIN

Idlewild Utilities, Inc.

Providence Utilities, Inc.

Springfield Utilities, Inc.

Sharon Utilities, Inc.

Derita Woods Utilities, Inc.

Date

NOV 19 1970

CERTIFIED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
ORIGINAL ON FILE IN THIS OFFICE.

O. James White
SECRETARY OF STATE OF SOUTH CAROLINA

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