

legal right and power to enter into this Agreement and carry out all its obligations hereunder, (iv) all corporate and other proceedings, including the required votes or consents of the ERVIN Stockholders, required to be taken by ERVIN in connection with the execution, delivery and performance of this Agreement have been duly and validly taken, (v) neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will result in a breach of, or constitute a default under, the Certificate of Incorporation or By-Laws of any of the ERVIN Companies, or the ERVIN Joint Ventures, or any agreement or instrument to which any of them is a party or by which any of them may be bound, of which such counsel has knowledge, and (vi) no further consent, approval or authorization of any governmental authority is required on the part of ERVIN or any of the other ERVIN Companies or the ERVIN Joint Ventures in connection with the execution and delivery of this Agreement or the consummation of any transaction contemplated hereby.

(b) The representations and warranties in § 3.01 shall be true on and as of the Effective Date of the Merger in all material respects with the same effect as though made on and as of such date; all agreements to be performed by ERVIN hereunder on or before the Effective Date of the Merger shall have been duly performed; and ERVIN shall have delivered to CYANAMID and DEVELOPMENT a certificate, dated the Effective Date of the Merger and signed by the President and the Treasurer of ERVIN, to such effect.

(c) None of the property of any of the ERVIN Companies or the ERVIN Joint Ventures which is not fully covered by insurance or, whether or not covered by insurance, the loss, damage or destruction of which materially interferes with the ability of the ERVIN Companies to conduct their businesses, shall have been lost, damaged or destroyed.

(d) All corporate and other proceedings to be taken in connection with the transactions contemplated by this Agreement, and all documents incident thereto, shall be satisfactory in form and substance to CYANAMID and DEVELOPMENT and their counsel.

(e) Each ERVIN Stockholder shall have delivered to CYANAMID his written agreement that, insofar as his ability to dispose of shares of CYANAMID Common Stock may be restricted under the Securities Act of 1933 and the applicable rules and regulations of the Securities and Exchange Commission, by reason of his being an "affiliate" of ERVIN within the meaning of Rule 133 under said Act or otherwise, he will dispose of such shares only in compliance with such Act, rules and regulations.

(f) All ERVIN Stockholders who are officers or employees of ERVIN, except Charles C. Ervin, shall have entered into new employment agreements with the Surviving Corporation, in the form agreed to by ERVIN and DEVELOPMENT, providing, among other things, that for a period of three years after any termination of employment they will refrain from competition with the Surviving Corporation in the states in which the Surviving Corporation is doing business at the time of termination, and Charles C. Ervin shall have entered into a covenant against competition with the Surviving Corporation in the states in which ERVIN is doing business at the Effective Date of the Merger for ten years from the Effective Date of the Merger, in each case unless waived by the Board of Directors of the Surviving Corporation.

(g) The shares of CYANAMID Common Stock issuable hereunder shall have been approved for listing, subject to notice of issuance, on the New York Stock Exchange.

(h) All required consents to the Merger and related transactions which are required to be obtained pursuant to the terms of contracts which ERVIN has with third parties shall have been obtained.

(i) All shares of ERVIN's Common Stock issued under the Executive Stock Purchase Plan of 1968, referred to in the Contract List shall have been fully paid.

(j) Charles C. Ervin shall have executed and delivered to CYANAMID and DEVELOPMENT an Indemnity Contract in the form previously agreed to by the parties hereto.

§ 6.03 CONDITIONS TO OBLIGATIONS OF ERVIN. (a) Receipt from H. B. Gross, Esq., General Counsel of CYANAMID, of a favorable opinion, dated the Effective Date of the Merger, and in form and substance satisfactory to ERVIN, to the effect that (i) CYANAMID and DEVELOPMENT are corporations duly