

duly elected and qualified in accordance with the laws of the State of North Carolina and the Articles of Incorporation and Bylaws of the Surviving Corporation.

4.2 The persons who are the officers of the Surviving Corporation immediately prior to the Effective Time shall, after the merger, continue as the officers of the Surviving Corporation without change to serve, subject to the provisions of the Bylaws of the Surviving Corporation, until their successors have been duly elected and qualified in accordance with the laws of the State of North Carolina and the Articles of Incorporation and Bylaws of the Surviving Corporation.

ARTICLE V  
MANNER AND BASIS OF CONVERTING SHARES

5.1 Inasmuch as IWS and PWS are wholly-owned subsidiaries of SUNOX and inasmuch as SUNOX is to be the Surviving Corporation, no cash, shares, other securities or other obligations will be distributed or issued upon conversion or cancellation of the shares of IWS and PWS. Each share of the \$.10 par value Common Stock of IWS, each share of the \$1.00 par value Class A Voting Common Stock of PWS and each share of the \$1.00 par value Class B Nonvoting Common Stock of PWS, issued and outstanding at the Effective Time, shall be cancelled and retired and shall cease to exist by virtue of the merger without any action on the part of the holder thereof.

5.2 None of the shares of the \$.10 par value Class A Voting Common Stock of SUNOX and none of the shares of the \$.10 par value Class B Nonvoting Common Stock of SUNOX, issued and outstanding at the Effective Time, shall be converted or altered in any manner as the result of the merger. Each such share of the \$.10 par value Class A Voting Common Stock of SUNOX shall remain outstanding as one share of the \$.10 par value Class A Voting Common Stock of the Surviving Corporation, and each such share of the \$.10 par value Class B Nonvoting Common Stock of SUNOX shall remain outstanding as one share of the \$.10 par value Class B Nonvoting Common Stock of the Surviving Corporation.

ARTICLE VI  
DISSENTING SHAREHOLDERS

6.1 The shareholders of IWS dissenting to the PLAN OF MERGER are entitled, pursuant to Section 33-17-70 of the South Carolina Business Corporation Act and upon compliance with Section 33-11-270, to be paid the fair value of their shares upon compliance with such statutory sections.

ARTICLE VII  
TERMINATION OF PLAN OF MERGER

7.1 This PLAN OF MERGER may be terminated by the action of the Board of Directors of any of the Constituent Corporations at