

five Thousand and 00/100 Dollars (\$4,075,000.00) divided into Forty Thousand Seven Hundred and Fifty (40,750) Shares of Common Stock of the par value of One Hundred and 00/100 (\$100.00) Dollars per share.

5. The rights, powers, privileges and franchises of the surviving corporation and the general nature of its business shall be as conferred upon it by law and authorized to it by law and, in addition, as set forth in the Charters (as amended) of the constituent corporations (such Charter provisions being hereinabove recited), which recited Charter Provisions are adopted by the surviving corporation.

6. Upon this merger becoming effective as herein provided the issued and outstanding Common Stock of MILLS HILL, CHESTER MILLS and WARRIOR DUCK MILLS shall be converted into and exchanged for the Common Stock of the surviving corporation. Each share of the Common Stock of MILLS HILL shall be converted into One (1) share of the Common Stock of the surviving corporation. Each Two (2) Shares of the Common Stock of CHESTER MILLS shall be converted into One (1) share of the Common Stock of the surviving corporation. Each One Hundred (100) Shares of the Common Stock of WARRIOR DUCK MILLS shall be converted into One (1) Share of the Common Stock of the surviving corporation. Each holder of a certificate or certificates heretofore representing Common Stock of MILLS HILL, of CHESTER MILLS and of WARRIOR DUCK MILLS, shall be entitled upon surrender of the same to receive in exchange therefor a certificate or certificates representing the number of shares of the Common Stock of the surviving corporation into which the Common Stock of MILLS HILL, of CHESTER MILLS and of WARRIOR DUCK MILLS has been converted as aforesaid; PROVIDED, HOWEVER,