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GREENVILLE CO. S. C.
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OLLIE FARNSWORTH
R.H.C.

ARTICLES OF MERGER
OF DOMESTIC CORPORATIONS:
ATLANTIC COAST LINE RAILROAD COMPANY
INTO
SEABOARD AIR LINE RAILROAD COMPANY
(Name changed to Seaboard Coast Line Railroad Company)

Pursuant to the provisions of Section 13.1-72 of the Virginia Stock Corporation Act, the undersigned corporations adopt the following Articles of Merger for the purpose of merging them into a single corporation:

ARTICLE ONE: The Plan of Merger (hereinafter called the "Plan"), hereto attached as Exhibit I, was approved by the shareholders of each of the undersigned corporations in the manner prescribed by the Virginia Stock Corporation Act.

ARTICLE TWO: The Plan was approved by the Board of Directors of Seaboard Air Line Railroad Company on May 19, 1960, and by the Board of Directors of Atlantic Coast Line Railroad Company on May 19, 1960. Notice was given to each stockholder of record of each of the aforesaid corporations on July 1, 1960, in the manner provided in the Virginia Stock Corporation Act and was accompanied by a copy of the Plan. The Plan was adopted by the stockholders of Seaboard Air Line Railroad Company on August 18, 1960, and by the stockholders of Atlantic Coast Line Railroad Company on August 18, 1960.

ARTICLE THREE: As to each of the undersigned corporations, the number of shares outstanding and entitled to vote on the Plan, and the designation and number of outstanding shares of each class entitled to vote

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as a class on such Plan, are as follows:

<u>Name of Corporation</u>	<u>Number of Shares Outstanding and Entitled to Vote</u>	<u>Entitled to Vote as a Class</u>	
		<u>Designation of Class</u>	<u>Number of Shares</u>
Seaboard Air Line Railroad Company	4, 835, 980	Common Stock	4, 835, 980
Atlantic Coast Line Railroad Company	2, 636, 335	Common Stock	2, 634, 781
		Original Preferred Stock	1, 554

ARTICLE FOUR: As to each of the undersigned corporations, the total number of shares voted for and against the Plan, respectively, and, as to each class entitled to vote thereon as a class, the number of shares of such class voted for and against such Plan, respectively, are as follows:

<u>Name of Corporation</u>	<u>Number of Shares</u>		<u>Entitled to Vote as a Class</u>		
	<u>Voted For</u>	<u>Voted Against</u>	<u>Class</u>	<u>Voted For</u>	<u>Voted Against</u>
Seaboard Air Line Railroad Company	4, 274, 608	17, 115	Common Stock	4, 274, 608	17, 115
Atlantic Coast Line Railroad Company	2, 458, 747	3, 846	Common Stock	2, 457, 652	3, 846
			Original Pre-ferred Stock	1, 095	0

ARTICLE FIVE: The amount of stated capital of the Surviving Corporation on the effective date of the Plan shall be \$174, 765, 900. The

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Surviving Corporation is to be a domestic corporation.

Dated: June 20, 1967.

SEABOARD AIR LINE RAILROAD COMPANY

By /s/ John W. Smith
President

and /s/ Elder L. Lash, Jr.
Secretary

ATLANTIC COAST LINE RAILROAD COMPANY

By /s/ W. Thomas Rice
President

and /s/ F. J. Primosch
Secretary

(Continued on next page)

PLAN OF MERGER

of

ATLANTIC COAST LINE RAILROAD COMPANY

and

SEABOARD AIR LINE RAILROAD COMPANY
(Under the name of Seaboard Coast Line Railroad Company)

(Continued on next page)

of
ATLANTIC COAST LINE RAILROAD COMPANY

and

SEABOARD AIR LINE RAILROAD COMPANY
(Under the name of Seaboard Coast Line Railroad Company)

FIRST: The names of the corporations proposing to merge are SEABOARD AIR LINE RAILROAD COMPANY (herein sometimes called "Seaboard") and ATLANTIC COAST LINE RAILROAD COMPANY (herein sometimes called "Coast Line"), both organized and existing under the laws of the Commonwealth of Virginia, and herein collectively called the "Constituent Corporations". It is proposed that Coast Line merge into Seaboard, which shall be the "Surviving Corporation" and shall continue its corporate existence under the laws of the Commonwealth of Virginia exclusively, and under the name of Seaboard Coast Line Railroad Company, as herein provided.

SECOND: The terms and conditions upon which the merger is to become effective are as follows:

(a) Each of the Constituent Corporations shall cause this Plan of Merger (herein sometimes called the "Plan") to be submitted to its stockholders, entitled to vote thereon, to obtain such authorizations by them as may be necessary or desirable under applicable law in connection with the adoption and consummation of the Plan and the merger of the Constituent Corporations.

(b) Each of the Constituent Corporations, individually or jointly as may be appropriate, shall make applications to all governmental and regulatory bodies having jurisdiction to obtain such orders, consents or approvals as may be necessary or desirable in connection with the adoption and consummation of the Plan and the merger of the Constituent Corporations. For the purposes of the Plan, any such order, consent or approval shall be deemed not to have been obtained until either (i) such order, consent or approval shall have been sustained on final appeal therefrom or review thereof, or (ii) all rights of appeal or review shall have expired, or (iii) the Boards of Directors of each of the Constituent Corporations shall have determined to proceed with putting the Plan into effect prior to such expiration or final determination.

(c) When each of the Constituent Companies shall have received a legal opinion satisfactory to it from its General Counsel or other counsel satisfactory to it to the effect that all necessary corporate and other consents, authorizations and approvals of the Plan have been obtained, that the supplemental indenture referred to in Paragraph SEVENTH hereof has been duly authorized, executed and delivered, and that this Plan has not been terminated, the Constituent Corporations will cause to be executed Articles of Merger in accordance with the Plan and the Virginia Stock Corporation Act; and said Constituent Corporations will then cause said Articles of Merger to be delivered to the State Corporation Commission of Virginia and will take any and all action necessary to cause to be issued by such Commission a Certificate of Merger of the Constituent Corporations pursuant to this Plan.

(d) Upon the issuance of the Certificate of Merger, the merger of the Constituent Corporations shall become effective, and the date and time of the merger so becoming effective is sometimes hereinafter referred to as the "effective date of the Plan".

(e) Upon and as of the effective date of the Plan and without any further act or deed:

(i) Coast Line shall be merged into Seaboard, the Surviving Corporation, which shall continue its corporate existence under the laws of the Commonwealth of Virginia exclusively, and under the name of Seaboard Coast Line Railroad Company as herein provided.

(ii) Except as herein otherwise specifically set forth, the corporate identity, existence, purposes, powers, franchises, rights and immunities of Seaboard shall continue unaffected and unimpaired by the merger, and the corporate identity, existence, purposes, powers, franchises, rights and immunities of Coast Line shall be merged into the Surviving Corporation which shall be fully vested therewith. The separate corporate existence of Coast Line (except insofar as the same may be continued by the statutes of the Commonwealth of Virginia) shall cease upon the effective date of the Plan, and thereupon the

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Constituent Corporations shall become a single corporation, to wit, the Surviving Corporation, which shall survive such merger and continue its corporate existence exclusively under, and continue to be governed by, the laws of the Commonwealth of Virginia. Notwithstanding anything contained herein or in the laws or the constitution of any state in which the Surviving Corporation shall own or operate lines of railroad, the Surviving Corporation shall be, and continue to be, a corporation organized and existing only under the laws of, and domesticated only in, the Commonwealth of Virginia, and the Surviving Corporation shall not be or be deemed to be subject to, or required to comply with, any statutory or other requirements applicable to a domestic corporation of any state other than the Commonwealth of Virginia, and the existing corporate status of Seaboard shall continue as a domestic corporation organized and existing solely under the laws of the Commonwealth of Virginia but qualified to carry on its business in the states of North Carolina, South Carolina, Georgia, Florida and Alabama.

(iii) The Surviving Corporation shall have and thereafter possess all the rights, privileges, immunities, powers and franchises, public and private, of each of the Constituent Corporations and of a corporation organized under the laws of the Commonwealth of Virginia and shall be subject to all the duties and liabilities of a corporation organized under such laws. All property, real, personal and mixed, and all debts due on whatever account, including subscriptions to shares, and all other choses in action, and all and every other interest, of or belonging to or due to either of the Constituent Corporations, shall be deemed to be and thereupon be transferred to and vested in such Surviving Corporation without further act or deed; and the title to any real estate, or any interest therein, vested in either such Constituent Corporation shall not revert or be in any way impaired by reason of such merger.

(iv) The Surviving Corporation shall thenceforth be responsible and liable for all the liabilities and obligations of each Constituent Corporation; and any claim existing or action or proceeding pending by or against any such Constituent Corporation may be prosecuted as if such merger had not taken place, or the Surviving Corporation may be substituted in its place; and neither the rights of creditors nor any liens upon the property of either Constituent Corporation shall be impaired by such merger; and nothing herein is intended to extend or enlarge the lien of any indenture, agreement, or other instrument executed by either of the Constituent Corporations;

(v) The holders of the shares of the capital stock of Coast Line outstanding on the effective date of the Plan shall be entitled to shares of capital stock of the Surviving Corporation as provided in Paragraph THIRD hereof.

(vi) The amount of stated capital which the Surviving Corporation shall have on and immediately after the effective date of the Plan shall be the aggregate amount of (a) the stated capital of Seaboard immediately preceding the effective date of the Plan (being \$20 per issued share) and (b) \$20 per share in respect of each share of Common Stock of the Surviving Corporation issuable in conversion of capital stock of Coast Line as described in Paragraph THIRD hereof.

(vii) Each class of surplus of each Constituent Corporation at the effective date of the Plan, except to the extent expressly transferred to stated capital by the Board of Directors of the Surviving Corporation either upon the issuance of shares or otherwise, shall continue without change as such surplus of the Surviving Corporation and available for the payment of dividends, except that any amount by which the stated capital represented by shares of Coast Line issued and outstanding at the effective date of the Plan shall exceed the par value of the shares of the Surviving Corporation issuable therefor shall be credited to capital surplus.

THIRD: The manner and basis of converting the shares of capital stock of Coast Line and Seaboard into shares of the Surviving Corporation, upon the merger becoming effective as aforesaid and as of the effective date of the Plan, are as follows:

(a) Each share of Original Preferred Stock of Coast Line of the par value of \$100 per share issued and outstanding (other than shares, if any, held in the treasury of Coast Line) shall become and be converted

into 3 fully paid and non-assessable shares of the presently authorized Common Stock of the par value of \$20 per share (herein called "Common Stock") of the Surviving Corporation. The shares of Original Preferred Stock, if any, of Coast Line held in the treasury of Coast Line shall be retired and canceled. Dividends, at the regular rate of 5% per annum, shall accrue on shares (other than treasury shares, if any) of Original Preferred Stock of Coast Line to the effective date of the Plan.

(b) Each share of the Common Stock of Coast Line which is

(i) issued and outstanding (other than shares held in its treasury), or

(ii) reacquired and held in its treasury, and called for by unexercised options granted prior to the effective date of the Plan pursuant to Coast Line's Restricted Stock Option Plan, approved at Coast Line's annual stockholders' meeting on April 15, 1958,

shall become and be converted into 1.42 shares of Common Stock of the Surviving Corporation. All shares of Common Stock of the Surviving Corporation so issuable shall be fully paid and non-assessable. The shares of Common Stock, if any, of Coast Line held in the treasury of Coast Line (except any treasury shares referred to in the second preceding sentence) shall be retired and canceled. If the shares of Common Stock of Coast Line reacquired and held in its treasury shall not aggregate the full number called for by the Coast Line options above described, the Surviving Corporation shall reserve for that purpose such number of shares of its authorized and unissued Common Stock as will be adequate for such purpose on the basis of the above ratio.

(c) Upon and after the effective date of the Plan and upon presentation and surrender by any holder of stock of Coast Line to the Surviving Corporation for cancellation and extinguishment, of the certificate or certificates representing the share or shares of Coast Line held by such holder, but subject to the provisions set forth in subparagraph (d) of this Paragraph THIRD, there shall be delivered to such holder a certificate or certificates (in definitive form or in temporary form exchangeable without charge for definitive certificates when prepared) representing the number of full shares of fully paid and non-assessable stock to which such holder is entitled and a scrip certificate (to the extent and in the manner hereinafter described) for any fractional shares resulting upon the conversion, at the respective rates hereinbefore in this Paragraph THIRD provided, and, in the case of the surrender of certificates for shares of Original Preferred Stock of Coast Line, there shall be paid to the holders thereof the accrued unpaid dividends to which they are entitled as hereinabove provided in this Paragraph THIRD. Anything in this Paragraph THIRD to the contrary notwithstanding, no fractional shares of stock of the Surviving Corporation will be delivered upon any such conversion or exchange; but, in lieu thereof, fractional rights shall be provided for as stated in sub-paragraph (d) of this Paragraph THIRD.

(d) Fractional rights to Common Stock of the Surviving Corporation resulting from the conversion of stock of Coast Line into Common Stock of the Surviving Corporation shall be provided for in the following manner:

(i) For a period of two years next following the effective date of the Plan, scrip certificates in bearer form shall be issued for such fractional rights. At any time within such two-year period, the Surviving Corporation, upon surrender to it of such scrip certificates in amounts representing in the aggregate one or more full shares of stock, shall issue a certificate or certificates for such number of full shares of stock, together with a new scrip certificate for any remaining fractional right, and pay over the amount of any dividends declared and payable upon such full shares subsequent to the effective date of the Plan. The right to exchange scrip certificates for certificates representing full shares, as aforesaid, shall expire at the end of such two-year period. Scrip certificates shall not entitle the holder thereof to vote or to receive dividends (except upon surrender and exchange as provided above) or to any of the rights, powers, or privileges of a stockholder of the Surviving Corporation, and the holder thereof shall have only such rights and privileges as are expressly provided for herein.

(ii) As soon as may be practicable after the expiration of two years next following the effective date of the Plan, the Surviving Corporation shall cause to be sold for cash, at public or private sale,

the aggregate number of shares of its Common Stock deliverable upon the surrender of all scrip certificates outstanding at the end of such two-year period, together with an additional number of shares of its Common Stock equal to the aggregate of the fractional rights to its Common Stock in respect of all certificates of stock of Coast Line shown by its stock record as outstanding and not surrendered for exchange during such two-year period as hereinbefore provided. To the sum of money realized from the sale of all such shares, there shall be added the amount of all dividends declared and payable on said shares between the effective date of the Plan and the date of such sale, and the aggregate sum of money applicable to all such shares shall be held by the Surviving Corporation or an agent to be appointed by it, as a fund for the benefit of holders of scrip certificates for, and of fractional rights to, such shares. From and after the expiration of such two year period, and until the expiration of six years next following the effective date of the Plan, each holder of a scrip certificate for, or of a fractional right to, such shares of stock, upon surrender of the scrip certificate, or of a certificate of stock of Coast Line evidencing such fractional right, shall be entitled to receive his pro rata share of the fund applicable to such stock, without interest, and he shall have no other or further rights in respect of said scrip certificate or of such fractional share right. After the expiration of the six-year period hereinabove set forth, all such scrip certificates and fractional share rights shall be void for all purposes, and any undistributed portion of the fund shall become the absolute property of the Surviving Corporation, free of all claims of holders of scrip certificates and of stock certificates of Coast Line.

(iii) The Board of Directors of the Surviving Corporation is authorized to make and enforce any and all reasonable regulations, not inconsistent herewith, governing the issue and manner of exchange of scrip certificates and the sale of shares in accordance with the foregoing provisions, as it in its discretion may deem advisable, including the appointment of an agent or agents for the purpose of exchanging stock certificates for scrip certificates and for the purpose of paying to bearers of scrip certificates or the registered holders of stock certificates, the cash proceeds of the sales of stock as hereinabove provided.

(e) If any certificates representing shares of stock of the Surviving Corporation are to be issued in a name other than that appearing upon the certificates of capital stock of Coast Line surrendered for exchange as herein provided, it shall be a condition of such issuance that the certificates so surrendered shall be properly endorsed for transfer and that the person requesting such exchange shall pay to the Surviving Corporation, or its transfer agent, any transfer or other taxes required by reason thereof, or establish to the satisfaction of the Surviving Corporation, or its transfer agent, that such taxes have been paid or are not payable.

(f) From and after eighteen months after the effective date of the Plan, the holders of certificates for capital stock of Coast Line shall not be entitled to vote at any meeting of stockholders of the Surviving Corporation and shall not be entitled to receive any dividends unless and until they shall have exchanged their certificates of stock for temporary or definitive certificates of stock of the Surviving Corporation, issuable in exchange therefor, as herein provided, together with dividends which would otherwise have been payable on such stock of the Surviving Corporation. The Surviving Corporation shall however during such period of eighteen months treat the outstanding certificates for capital stock of Coast Line as evidencing respectively the ownership of the number of full shares of Common Stock of the Surviving Corporation into which such outstanding capital stock of Coast Line shall have been converted, notwithstanding the failure of any stockholders of Coast Line to exchange their certificates for certificates of stock of the Surviving Corporation in accordance with the foregoing provisions. After the effective date of the Plan there shall be no further issue or transfer of certificates of capital stock of Coast Line and as such certificates are presented to the Surviving Corporation, they shall be canceled and certificates of capital stock of the Surviving Corporation shall be issued in exchange therefor in accordance with the terms and conditions hereinbefore set forth.

(g) Each share of the Common Stock of Seaboard outstanding (including shares held in the treasury of Seaboard) on the effective date of the Plan shall continue to be a share of Common Stock of the Surviving Corporation and the presently issued certificates for such stock shall continue to be valid certificates therefor without surrender or exchange thereof.

FOURTH: Pursuant to Section 13.1-68(d) of the Virginia Stock Corporation Act the Articles of Incorporation of the Surviving Corporation shall, from and after the effective date of the Plan, be as set forth in the Restated Articles of Incorporation annexed as Annex A to this Plan of Merger.

FIFTH: (a) Except as amended as herein provided, and unless and until further amended or repealed as therein provided, the By-laws of Seaboard, as they shall exist on the effective date of the Plan, shall continue to be the By-laws of the Surviving Corporation.

(b) The second and third sentences of Paragraph 8 of the By-laws of Seaboard are hereby amended as of the effective date of the Plan to read as follows:

"The Board shall consist of 26 directors, but the number of directors may be decreased to any number not less than 7 or increased to any number not exceeding 26 directors, by amendment of these By-laws from time to time."

(c)(i) Paragraphs 15 to 18 inclusive, of the By-laws of Seaboard are hereby deleted, and new Paragraphs 15 to 18C inclusive are hereby added, as of the effective date of the Plan, to read as follows:

"15. *Executive Committee.* The Board of Directors by a majority vote of the whole Board, shall appoint annually from among the Directors an Executive Committee, consisting of the Chairman of the Board and the President and four (4) other directors, who shall hold office until their successors are elected and shall qualify. The Board of Directors shall promptly fill all vacancies in the Executive Committee as they occur.

"16. The Executive Committee shall have such duties and powers as may be assigned to it by the Board of Directors in the resolution designating the Committee and may make recommendations to the Board concerning the general business of the Company.

"17. The Executive Committee shall elect a Chairman to serve for such term as it may determine, shall fix its own rules of procedure, and shall meet where and as provided by such rules, but in every case the presence of at least a majority of the members shall be necessary to, and shall constitute, a quorum, and the affirmative vote of a majority of the members present at a meeting shall be necessary to, and shall constitute, action by the Executive Committee. All action taken by the Executive Committee shall be reported to the Board of Directors at the meeting of such Board next succeeding such action.

"17A. Each member of the Executive Committee shall be entitled to receive reimbursement for his reasonable expenses incurred in attending meetings or otherwise in connection with his attention to the affairs of the Company and to such compensation as may be fixed from time to time by the Board of Directors.

"18. *Finance Committee.* The Board of Directors by a majority vote of the whole Board, shall appoint annually from among the Directors a Finance Committee, consisting of the Chairman of the Board and the President and four (4) other directors, who shall hold office until their successors are elected and shall qualify. The Board of Directors shall promptly fill all vacancies in the Finance Committee as they occur.

"18A. The Finance Committee shall have such duties and powers as to the financial affairs of the Company as the Board may assign to it and may make recommendations to the Board in relation thereto.

"18B. The Finance Committee shall elect a Chairman to serve for such term as it may determine, shall fix its own rules of procedure, and shall meet where and as provided by such rules, but in every case the presence of at least a majority of the members shall be necessary to and shall constitute a quorum, and the affirmative vote of a majority of the members present at a meeting shall be necessary to, and shall constitute, action by the Finance Committee. All action taken by the Finance Committee shall be reported to the Board of Directors at the meeting of such Board next succeeding such action.

"18C. Each member of the Finance Committee shall be entitled to receive reimbursement for his reasonable expenses incurred in attending meetings or otherwise in connection with his attention to the affairs of the Company and to such compensation as may be fixed from time to time by the Board of Directors."

(c)(ii) At the first meeting of the Board of the Surviving Corporation on or after the effective date of the Plan, appropriate action shall be taken to the end that, until subsequent action in accordance with the By-laws, (a) three members of the Executive Committee, including the person who immediately prior to the effective date of the Plan was chairman of the Executive Committee of Coast Line (who shall be designated as chairman of the Executive Committee of the Surviving Corporation) shall be persons who were directors of Coast Line immediately prior to the effective date of the Plan, and the other three members shall be persons who were directors of Seaboard immediately prior to the effective date of the Plan and (b) three members of the Finance Committee, including the person who immediately prior to the effective date of the Plan was the chairman of the Executive Committee of Seaboard (who shall be designated as chairman of the Finance Committee of the Surviving Corporation) shall be persons who were directors of Seaboard immediately prior to the effective date of the Plan and the other three members shall be persons who were directors of Coast Line immediately prior to the effective date of the Plan.

(d) Paragraph 20 of the By-laws of Seaboard is hereby amended as of the effective date of the Plan to read as follows:

"20. *Number.* The executive officers of the Company shall be a Chairman of the Board and a President, who shall be members of the Board, one or more Vice-Presidents, a Comptroller and a Secretary and a Treasurer; and there may be, in addition, such other officers, agents and employees as shall be appointed in accordance with the provisions of paragraph 23 of these By-laws. The offices of Vice-President, Secretary and Treasurer, or any two offices, except those of President and Secretary, may be held by the same person. The Board may require any such officer, agent or employee to give security for the faithful performance of his duties."

(e) Paragraph 26 of the By-laws of Seaboard is hereby amended, and a new Paragraph 26A is hereby added, as of the effective date of the Plan to read as follows:

"26. *The Chairman.* The Chairman shall be the Chief Executive Officer of the Company and subject to control of the Board of Directors, shall have general authority over all the Company's affairs and over all officers, agents and employees of the Company.

"Subject to the provisions of these By-laws, or except as the Board shall otherwise direct, he shall fix the compensation of all officers, employees and agents of the Company, or may delegate that authority to the President.

"He shall keep the Board informed from time to time regarding the condition and business of the Company and its properties and recommend such measures as he may deem necessary or desirable.

"He shall preside at all meetings of the Board of Directors. He shall, unless otherwise directed by the Board, attend in person, or by proxy appointed by him, and act and vote on behalf of the Company at all meetings of the stockholders of any corporation in which the Company holds stock.

"26A. *The President.* The President shall have the general management and direction, subject to the control of the Board of Directors, and the Chairman, of the affairs of the Company, including the power, which he may delegate to the extent he deems desirable, to appoint and discharge any and all agents and employees of the Company not elected or appointed directly by the Board of Directors. He shall report to the Chairman, and, at the request of the Chairman or in the case of his absence or inability to act, shall perform the duties of the Chairman, and when so acting shall have all the powers of, and be subject to, all the restrictions upon the Chairman. He shall, whenever it may be in his opinion necessary, prescribe the duties for officers and employees of the Company if their duties are not otherwise defined.

"He may sign, with the Treasurer, certificates of stock of the Company, and he may sign, execute and deliver, in the name of the Company, all deeds, mortgages, bonds, contracts or other instruments authorized by the Board, except in cases where the signing, execution or delivery thereof shall be expressly delegated by the Board or these By-laws to some other officer or agent of the Company, or where any thereof shall be required by law otherwise to be signed, executed or delivered. The President may delegate this signing of all deeds, mortgages, bonds, contracts or other instruments to any Vice

President. In general, he shall perform all duties incident to the office of President of a corporation, and such other duties as may from time to time be assigned to him by the Board of Directors.

(f) The By-laws of Seaboard are hereby amended as of the effective date of the Plan by adding a new Paragraph 37A to read:

"37A—No investment in any affiliated company or any portion of any such investment shall be sold, pledged, or in any other manner incumbered or disposed of except by the affirmative vote of at least two-thirds of the whole Board of Directors. Notwithstanding any other provisions in these By-laws to the contrary this Paragraph 37A may be altered, amended, or repealed, at any annual or special meeting by the stockholders having voting power or at any regular or special meeting of the Board by vote of not less than two-thirds of the whole Board, provided that the proposed action in respect thereof shall be stated in the Notice of such meeting or in the Waiver of Notice thereof."

(g) The number of Directors of the Surviving Corporation shall be 26. The names and addresses of the persons who are to serve as initial directors of the Surviving Corporation, each of whom is presently a Director of one of the Constituent Corporations, and who will hold office in the Surviving Corporation from the effective date of the Plan and until their successors are duly elected and qualified are as follows:

<u>Name</u>	<u>Address</u>
Geo. D. Aldrich.....	200 Berkeley Street, Boston, Mass.
Linton E. Allen.....	First National Bank, Orlando, Fla.
Hyman L. Battle.....	Rocky Mount Mills, Rocky Mount, N. C.
Kenneth E. Black.....	59 Maiden Lane, New York, N. Y.
Henry C. Breck.....	65 Broadway, New York 6, N. Y.
Daniel L. Brown.....	60 State Street, Boston 9, Mass.
Thos. B. Butler.....	13 South Street, Baltimore, Md.
Paul F. Clark.....	200 Berkeley Street, Boston, Mass.
Alexander E. Duncan.....	300 St. Paul Place, Baltimore 2, Md.
Armand G. Erpf.....	42 Wall Street, New York 5, N. Y.
W. Howard Frankland.....	First National Bank of Tampa, Tampa, Fla.
Bradley Gaylord.....	Box 643, Chatham, Mass.
Fred N. Harrison.....	201 South Third Street, Richmond, Va.
Robert Lassiter, Jr.....	1015 Johnston Building, Charlotte 2, N. C.
J. T. Lykes.....	P. O. Box 2879, Tampa 1, Fla.
Geo. W. McCarty.....	601 Trust Company of Georgia Building, Atlanta 3, Ga.
Wm. F. Morton.....	140 Federal Street, Boston 10, Mass.
Prime F. Osborn.....	Atlantic Coast Line Railroad Company, Wilmington, N. C.
W. T. Rice.....	Atlantic Coast Line Railroad Company, Wilmington, N. C.
Edward C. Roe.....	P. O. Box 4640, Jacksonville 1, Fla.
Buford Scott.....	P. O. Box 1575, Richmond, Va.
Henry O. Shaw.....	P. O. Box #52-306, Biscayne Annex, Miami 52, Fla.
John W. Smith.....	3600 W. Broad Street, Richmond 13, Va.
Samuel H. Swint.....	Graniteville Company, Graniteville, S. C.
A. L. M. Wiggins.....	Atlantic Coast Line Railroad Company, Hartsville, S. C.
Ed. C. Wright.....	P. O. Box 24, St. Petersburg, Fla.

If any such person shall at the effective date of the Plan have died or be otherwise incapable of acting as aforesaid, or shall not be a director of Seaboard or Coast Line at the effective date of the Plan, his place shall be filled by the Board of Directors of Seaboard if he is now a director of Seaboard, or by the Board of Directors of Coast Line if he is now a director of Coast Line; *provided however*, that if his place on the Board of Seaboard or Coast Line, as the case may be, shall have been filled before the effective date of the Plan by the election of another director by the stockholders of Seaboard or Coast Line, as the case may be, the director so elected in his place shall be a director of the Surviving Corporation in lieu of said director above named,

unless the director so elected shall not be a director of Seaboard or Coast Line at the effective date of the Plan or shall be unable or unwilling to serve as a director of the Surviving Corporation.

(h) The Chairman of the Board and President of the Surviving Corporation from and after the effective date of the Plan, who shall hold office, subject to the provisions of the By-laws of the Surviving Corporation, until their respective successors shall have been chosen or appointed as provided in the By-laws, shall be as follows:

<u>Office</u>	<u>Name</u>	<u>Address</u>
Chairman of the Board	John W. Smith	Seaboard Air Line Railroad Bldg. 3600 West Broad Street Richmond, Virginia
President	W. Thomas Rice	Atlantic Coast Line Railroad Wilmington, North Carolina

If either such person at the effective date of the Plan shall have died or be otherwise incapable or unavailable, the person who, immediately prior to the effective date of the Plan, was President of Seaboard shall be Chairman of the Board of the Surviving Corporation and the person who, immediately prior to the effective date of the Plan, was President of Coast Line shall be President of the Surviving Corporation.

(i) The remaining executive officers and the several departmental and staff officers of the Constituent Corporations on the effective date of the Plan shall be continued, subject to the provisions of the By-laws of the Surviving Corporation, as officers of the Surviving Corporation with such changes in title and duties as other officers superior in rank or the Board of Directors may determine.

(j) Holders of options under the Coast Line's Restricted Stock Option Plan shall be entitled, subject to appropriate authorization by the Interstate Commerce Commission and to the terms and conditions of their options, to purchase 1.42 shares of Common Stock of the Surviving Corporation after the effective date of the Plan in lieu of each share of Coast Line Common Stock which was called for by the terms of such option.

SIXTH: Anything herein or elsewhere to the contrary notwithstanding, this Plan and the Articles of Merger herein referred to may be terminated and the merger hereby provided for abandoned:

(a) By mutual consent of the Boards of Directors of each of the Constituent Corporations at any time prior to the effective date of the Plan; or

(b) By the Board of Directors of either of the Constituent Corporations, acting alone, but in any such case only prior to the effective date of the Plan and only

(i) if prior to such action by a Board of Directors there shall have occurred any breach by such other Constituent Corporation of any of its covenants in Paragraph NINTH hereof; or

(ii) if the Interstate Commerce Commission shall impose any terms or conditions to its approval of the Plan which shall be unacceptable to a majority of the Board of Directors of either Constituent Corporation; or

(iii) at the option of Seaboard, in the event that Seaboard shall be unable to obtain, on or prior to the effective date of the Plan, a ruling of the Internal Revenue Service, or an opinion of its General Counsel or other counsel satisfactory to it, that under the Internal Revenue Code, as in effect on the effective date of the Plan, no gain or loss or taxable income will be recognized to Seaboard, to Coast Line, or to the stockholders of Seaboard as a result of the merger herein provided for; or

(iv) at the option of Coast Line, in the event that Coast Line shall be unable to obtain, on or prior to the effective date of the Plan, a ruling of the Internal Revenue Service, or an opinion of its Vice President and General Counsel or other counsel satisfactory to it, that under the Internal Revenue Code, as in effect on the effective date of the Plan, no gain or loss or taxable income will be recognized to Coast Line or to the stockholders of Coast Line as a result of the merger herein provided for and the conversion or exchange of their stock into Common Stock of the Surviving Corporation.

(v) at the option of Seaboard, in the event that Coast Line shall be unable to effect on or prior to August 30, 1960 (or such later date as the Board of Directors of Seaboard shall approve as being consistent with the best interests of Seaboard), arrangements satisfactory in form and substance to the Board of Directors of Seaboard whereby the total annual sinking fund requirements on Coast Line's presently outstanding General Mortgage Bonds of Series A, B, C and D, after the effective date of the Plan, shall be in form and substance satisfactory to the Board of Directors of Seaboard, and such shall be evidenced by a supplemental indenture as shall be in form and substance satisfactory to the Board of Directors of Seaboard.

In the event of the termination of the Plan or Articles of Merger as aforesaid by the Board of Directors of either of the Constituent Corporations pursuant to this Paragraph SIXTH, written notice thereof shall forthwith be given to the other Constituent Corporation and the Interstate Commerce Commission and to any other person entitled to notice thereof and thereupon the Plan and the Articles of Merger as then entered into shall become wholly void and of no effect, and there shall be no liability on the part of either Constituent Corporation or their respective Boards of Directors or stockholders to the other Constituent Corporation.

SEVENTH: Each of the Constituent Corporations shall use its best efforts to take any and all action reasonably necessary or appropriate to be taken to effectuate the consummation of the Plan and the merger of the Constituent Corporations as provided therein, including any action further to evidence or assure the succession of the Surviving Corporation and the acquisition by it of its right, title and interest in the property and assets of the Constituent Corporations upon the Plan becoming effective.

Coast Line shall arrange for the holding of meetings of holders of its General Mortgage Bonds, Series A, B, C and D, to authorize the execution of a supplemental indenture modifying the provisions of and the rights of the holders of bonds issued under such General Mortgage with respect to the amount of sinking fund payments to be made with respect to such series of General Mortgage Bonds by the Surviving Corporation, as referred to in Paragraph SIXTH hereof.

EIGHTH: Each Constituent Corporation shall pay any and all expenses incurred by it in fulfilling its obligations hereunder and to effectuate the Plan and merger of the Constituent Corporations as provided thereunder, and shall not be entitled to reimbursement in respect of any thereof from the other Constituent Corporation, regardless of whether or not the Plan or the Articles of Merger shall have been terminated pursuant to Paragraph SIXTH hereof.

NINTH: Unless and until the Plan or the Articles of Merger herein provided for shall have been terminated as provided in Paragraph SIXTH hereof, each of the Constituent Corporations will use its best efforts to maintain its financial position and net assets in at least as good position as existed on April 30, 1960, and will not, except with the consent of the other Constituent Corporation, after May 1, 1960:

(a) Declare or pay, between May 1, 1960 and the effective date of the Plan any dividends on its Common Stock for any calendar year (including the calendar year 1960) other than cash dividends aggregating not more than 65% of its net income after preferred stock dividends for such calendar year or make any other distribution of assets to stockholders or acquire any shares of its stock at a price in excess of the then market price thereof on the New York Stock Exchange (except that Coast Line without such consent may acquire shares of its Original Preferred Stock of the par value of \$100 per share from holders other than The Atlantic Coast Line Company or Mercantile-Safe Deposit and Trust Company); or

(b) Incur, or permit any subsidiary to incur, any liability, obligation or indebtedness other than (i) in the ordinary course of business or (ii) for acquisition of rolling stock, or make any change in its capital structure except as contemplated by the Plan, or dispose, or permit any subsidiary to dispose, of any substantial or material assets other than in the ordinary course of business; for the purposes of this subparagraph (b) the term "subsidiary" shall mean any corporation more than 50% of the voting stock of which is owned directly or indirectly by either of the Constituent Corporations; or

(c) Issue any shares of any class of its capital stock or give options to purchase or accept subscriptions for any such shares except to the extent provided in its presently existing Restricted Stock Option Plan.

TENTH: If the Interstate Commerce Commission shall impose any terms or conditions to its approval or authorization of the Plan, not contained herein, such terms and conditions, if first accepted by each of the Constituent Corporations by resolutions of their respective Boards of Directors, shall become and be deemed to be a part hereof without any further vote or approval of stockholders unless the same shall result in (a) a material change in the rights, preferences or privileges of the Common Stock of the Surviving Corporation, or (b) a change in the relative treatment of any of the classes of stock of the Constituent Corporations in shares of stock of the Surviving Corporation as now provided for in Paragraph THIRD hereof.

The Board of Directors of each of the Constituent Corporations has pursuant to the provisions of Section 13.1-68 of the Virginia Stock Corporation Act, duly adopted and approved the foregoing Plan of Merger.

Adopted and Approved by the Board of Directors of
SEABOARD AIR LINE RAILROAD COMPANY on
May 19, 1960

Attest:

ELDER L. LASH, JR.

(ELDER L. LASH JR.) *Secretary*

Adopted and Approved by the Board of Directors of
ATLANTIC COAST LINE RAILROAD COMPANY on
May 19, 1960

Attest:

F. J. PRIMOSCH

(F. J. PRIMOSCH) *Secretary*

(Continued on next page)

ANNEX A
RESTATED ARTICLES OF INCORPORATION
of
SEABOARD COAST LINE RAILROAD COMPANY

ARTICLE I.

The name of the Corporation (hereinafter called the "Corporation") shall be:

SEABOARD COAST LINE RAILROAD COMPANY

ARTICLE II.

The purposes for which the Corporation is organized are to conduct the business of a railroad anywhere in the United States of America and elsewhere; to engage generally in the business of transportation as a common carrier of passengers, mail, express and all kinds and classifications of freight, petroleum, natural gas, and all other things of every kind and nature, by means of railroad, motor vehicle, ship, airship, pipe lines, conveyors, and other means of transportation or facilities of any and all kinds with any and all types of motive power, on, under or above land, water or air, anywhere in the United States and elsewhere. The Corporation shall have all the powers conferred by the laws of Virginia.

ARTICLE III.

The aggregate number of shares which the Corporation is authorized to issue is 10,000,000 shares of Common Stock of the par value of \$20 each.

ARTICLE IV.

The Board of Directors of this Corporation from time to time in its discretion and for such consideration and in such manner as it may lawfully determine without first offering the same to any of the then existing stockholders, may offer for sale any shares of stock of the Corporation then owned by the Corporation, or which the Corporation may have been lawfully authorized to issue, or any part-paid receipts or allotment certificates in respect of any such shares, or any securities convertible into or exchangeable for any such shares, or any warrants or other instruments evidencing rights or options to subscribe for, purchase or otherwise acquire any such shares or securities, and no holder of any shares of stock of the Corporation, as such holder, shall have any preferred or preemptive right to purchase, subscribe for, or otherwise acquire from the Corporation any such shares of stock, part-paid receipts, allotment certificates, warrants, or other instruments.

ARTICLE V.

(1) The directors, by resolution adopted by a majority of the whole number fixed for the Board of Directors, may designate two or more directors to constitute an Executive Committee, which, to the extent provided in such resolution or in the By-laws, shall, when the Board shall not be in session, have and may exercise all of the authority of the Board of Directors except to approve an amendment of the Articles of Incorporation or a plan of merger or consolidation.

(2) A director of the Corporation shall not be disqualified by his office from dealing or contracting with the Corporation either as a vendor, purchaser or otherwise, nor shall any transaction or contract of the Corporation be void or voidable by reason of the fact that any director or any firm of which any director is a

member or any corporation of which any director is a shareholder or director is in any way interested in such transaction or contract, provided that such transaction or contract is or shall be authorized, ratified or approved either (a) by a vote of a majority or a quorum of the Board of Directors or of the Executive Committee without counting in such majority or quorum any director so interested or member of a firm so interested or shareholder or director of a corporation so interested, or (b) by a vote at any stockholders' meeting of the holders of record of a majority of all the outstanding shares of stock of the Corporation entitled to vote or by writing or writings signed by a majority of such holders; nor shall any director be liable to account to the Corporation for any profits realized by him from or through any such transaction or contract of the Corporation authorized, ratified or approved as aforesaid by reason of the fact that he or any firm of which he is a member or any corporation of which he is a shareholder or director, was interested in such transaction or contract. Nothing herein contained shall create any liability in the events above described or prevent the authorization, ratification or approval of such contract in any other manner provided by law; nor shall anything herein be considered as in any way affecting the rights of the Corporation or of any person interested, on account of any fraud in connection with any such transaction.

(3) The Corporation shall indemnify each director and officer of the Corporation, his heirs, executors, administrators and personal representatives, against any and all liabilities, judgments, fines, penalties and claims (including amounts paid in settlement) imposed upon or asserted against him by reason of his being or having been an officer or director of the Corporation or of any other corporation in which he served or serves as a director or officer pursuant to the written request of the Corporation (whether or not he continues to be an officer or director at the time of such imposition or assertion), and against all expenses (including counsel fees) reasonably incurred by him in connection therewith, except in respect of matters as to which he shall have been finally adjudged to be liable by reason of having been guilty of gross negligence or wilful misconduct in the performance of his duty as such director or officer. In the event of any other judgment against such officer or director or in the event of a settlement, the indemnification shall be made only if the Corporation shall be advised (a) by the Board of Directors, in case none of the persons involved shall then be a director of the Corporation, or (b) by independent counsel appointed by the Board of Directors, in case any of the persons involved shall then be a director of the Corporation, that in its or his opinion, as the case may be, such director or officer was not guilty of gross negligence or wilful misconduct in the performance of his duty, and, in the event of a settlement, that such settlement was, or, if still to be made, would be, in the best interests of the Corporation. If the determination is to be made by the Board of Directors, it may rely, as to all questions of law, upon the advice of independent counsel. The foregoing right of indemnification shall not be exclusive of other rights to which any director or officer may be entitled as a matter of law or otherwise.

ARTICLE VI.

The number of directors shall, unless otherwise fixed by the By-laws, be twenty-six (26). Any vacancy occurring in the Board of Directors after these Restated Articles of Incorporation become effective and until the next annual meeting of the stockholders for the purpose of electing directors, shall be filled by such person as shall be designated by the surviving directors who prior to the effective date of these Restated Articles of Incorporation were directors of the constituent company of which the former director whose vacancy is being filled was also director; constituent company for this purpose shall mean one of Seaboard Air Line Railroad Company or Atlantic Coast Line Railroad Company, parties to the Plan of Merger of this Corporation.

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COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, July 1, 1967

The accompanying articles having been delivered to the State Corporation Commission on behalf of

Atlantic Coast Line Railroad Company
Seaboard Air Line Railroad Company (both Va. corp.) under the name
Seaboard Coast Line Railroad Company

and the Commission having found that the articles comply with the requirements of law and that all required fees have been paid, it is

ORDERED that this CERTIFICATE OF MERGER be issued, and that this order, together with the articles, be admitted to record in the office of the Commission; and that

Atlantic Coast Line Railroad Company

be merged into

Seaboard Air Line Railroad Company

the surviving corporation, which shall continue to be a corporation existing under the laws of the State of

Virginia

with the corporate name

Seaboard Coast Line Railroad Company

and that the separate existence of the corporations parties to the plan of merger, except the surviving corporation, shall cease.

STATE CORPORATION COMMISSION

By

H. Lester Hooker
Chairman

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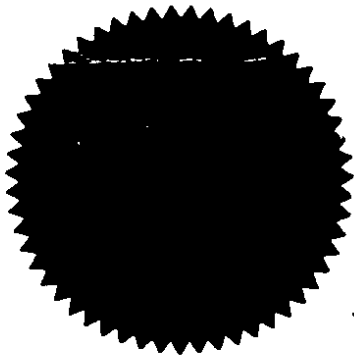
Commonwealth of Virginia



State Corporation Commission

T. W. Humey Dovell, First Assistant Clerk of the State Corporation Commission, do hereby certify that the foregoing is a true copy of a certificate of merger issued on July 1, 1967, merging Atlantic Coast Line Railroad Company, a Virginia corporation, into Seaboard Air Line Railroad Company, a Virginia corporation, under the name of Seaboard Coast Line Railroad Company.

In Testimony Whereof I hereunto set my hand and affix the Official Seal of the State Corporation Commission, at Richmond this 3rd *day of* July *A. D. 1967*



T. W. Humey Dovell
First Assistant Clerk of the Commission