

*2 plate*

# Commonwealth of Kentucky

## Department of State



Office of Secretary of State

THELMA L. STOVALL  
SECRETARY  
FRANKFORT, KENTUCKY

### CERTIFICATE

I, THELMA L. STOVALL, Secretary of State for the Commonwealth of Kentucky, do certify that the foregoing writing has been carefully compared by me with the original record thereof, now in my official custody as Secretary of State and remaining on file in my office, and found to be a true and correct copy of Articles of Amendment to the Articles of Incorporation of ASHLAND OIL, INC., filed March 20, 1974.

IN WITNESS WHEREOF, I have hereunto  
set my hand and affixed my official seal.

Done at Frankfort this.....29TH.....day of

.....MARCH, 19 74.....

*Thelma L. Stovall*  
.....  
Secretary of State, Commonwealth of Kentucky

By .....  
Assistant Secretary of State

## ASHLAND OIL, INC.

### CERTIFICATE AND STATEMENT OF RESOLUTION ESTABLISHING AND DESIGNATING CUMULATIVE PREFERRED STOCK, 8.375% SERIES OF 1974 AND FIXING AND DETERMINING CERTAIN RIGHTS THEREOF AND THE NUMBER OF SHARES ISSUABLE

KNOW ALL MEN BY THESE PRESENTS, that DAVID C. WILLIAMS, as Vice President, and JOHN P. WARD, as the Deputy Secretary, of ASHLAND OIL, INC., a Kentucky corporation (herein called the "Company"), do hereby certify that at a meeting of the Board of Directors of the Company duly called and held in accordance with law and the By-laws of the Company on March 20, 1974, the following resolution establishing and designating the 8.375% Series of 1974 of the Cumulative Preferred Stock of the Company (herein called the "Preferred Stock") and fixing and determining certain rights thereof and the number of shares issuable was duly adopted.

"RESOLVED, that, pursuant to the authority expressly granted to and vested in the Board of Directors of the Company by the Restated Articles of Incorporation of the Company, this Board of Directors hereby designates such series and fixes and determines the number of shares to be issuable therein and the relative rights and preferences thereof (in addition to the relative rights and preferences thereof set forth in the Restated Articles of Incorporation of the Company (herein called the "Articles") which are applicable to Preferred Stock of all series) as follows:

**I. Designation of Series and Number of Shares to be Issuable Therein.** The designation of the series shall be "Cumulative Preferred Stock, 8.375% Series of 1974" (hereinafter called the "1974 Series"), of which 50,000 shares shall be issuable.

**II. Annual Amount of Dividends.** The dividend rate for shares of the 1974 Series shall be \$83.75 per share per annum (computed on the basis of a 360-day year, 30-day month), and no more. Such dividends shall accrue commencing on the date on which shares of the 1974 Series shall first be issued.

**III. Redemptions at Company's Option.** The shares of the 1974 Series may not be redeemed at the Company's option prior to March 15, 1979. On and after that date, the Company in accordance with the provisions of Paragraph (d) of Subdivision I of Article Fourth of the Articles, may redeem shares of the 1974 Series out of funds legally available for such purpose at the following per share redemption prices, if redeemed during the 12 months' period commencing on March 15:

<u>Year</u>	<u>Redemption Price</u>	<u>Year</u>	<u>Redemption Price</u>
1979 -----	\$1,083.75	1984 -----	\$1,060.25
1980 -----	1,079.05	1985 -----	1,055.55
1981 -----	1,074.35	1986 -----	1,050.85
1982 -----	1,069.65	1987 -----	1,046.15
1983 -----	1,064.95	1988 -----	1,041.45

<u>Year</u>	<u>Redemption Price</u>	<u>Year</u>	<u>Redemption Price</u>
1989 -----	\$1,036.75	1994 -----	\$1,013.25
1990 -----	1,032.05	1995 -----	1,008.55
1991 -----	1,027.35	1996 -----	1,003.85
1992 -----	1,022.65	1997 -----	1,000.00
1993 -----	1,017.95		

plus in each case an amount equal to all accrued and unpaid dividends thereon to and including the redemption date; *provided, however*, that no such optional redemption may be made prior to March 15, 1984 unless (i) such optional redemption is not being made as a part of a refunding or anticipated refunding operation by the application, directly or indirectly, of (a) borrowed funds either (I) having an interest cost to the Company or any subsidiary (computed in accordance with generally accepted financial practice) of less than 8 $\frac{3}{8}$ % per annum or (II) evidenced by obligations having a final maturity date earlier than March 15, 1998 or having a weighted average life to final maturity which is shorter than the then remaining weighted average life to the final sinking fund redemption of the 1974 Series or (b) the proceeds of the sale by the Company or any subsidiary of Preferred Stock or shares of any other class of equity securities entitled to a fixed sum or percentage of par value in respect of the rights of the holders thereof to participate in dividends or in the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding up of the issuer having either (I) an annual dividend rate (computed in accordance with generally accepted financial practice) of less than 8 $\frac{3}{8}$ % of the offering price thereof or (II) sinking fund provisions providing for the retirement of all outstanding shares prior to March 15, 1998 or giving such shares a weighted average life to the final sinking fund redemption which is shorter than the then remaining weighted average life to the final sinking fund redemption of the 1974 Series, and (ii) the Company shall have delivered to holders of shares of the 1974 Series an Officer's Certificate to all such effects.

**IV. Redemption at Holders' Option.** In the event that, on or after March 15, 1974, (a) the Company or any subsidiary (after the time it becomes a subsidiary) proposes to become a party to or become bound by (i) any contract, indenture, agreement or instrument, or any note, debenture, bond or other security under the terms of or pursuant to which the Company's authority to declare or pay dividends on or to make any other distributions with respect to or to redeem or purchase any shares of the 1974 Series (other than distributions, redemptions or purchases which the Company is permitted but not obligated to make) is in any way restricted or (ii) any amendment to or modification of any restrictive provision of the type described in clause (a)(i) that was either in effect on March 15, 1974 or with respect to which the holders of 66 $\frac{2}{3}$ % of the outstanding shares of the 1974 Series shall not have requested the Company to redeem all outstanding shares of such Series pursuant to this Article IV, if the effect of such amendment is to make such provision more restrictive of the Company's authority to declare or pay dividends on or to make distributions with respect to or to redeem or purchase any shares of the 1974 Series as described in clause (a)(i), or (b) the Company proposes to (i) re-issue as part of the 1974 Series any shares of the Company's Preferred Stock (including the 1974 Series) which have been redeemed, (ii) merge or consolidate with any other corporation (except a merger in which the Company shall be the continuing or surviving corporation, provided that the Company as the continuing or surviving

corporation shall not, immediately after such merger, (x) have outstanding any shares of capital stock ranking prior to the 1974 Series with respect to dividends or the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding up of the Company or (y) be in default under any mortgage, indenture, agreement or other instrument securing or relating to any material indebtedness of the Company if, as a result thereof, the holders of such indebtedness, or a trustee on their behalf, shall be entitled to accelerate the maturity thereof), (iii) sell, lease or otherwise dispose of all or substantially all its assets to another Person, or (iv) redeem, purchase or make any distribution on account of any shares of its capital stock, other than regular dividends on Common Stock and Preferred Stock and redemption of any series of Preferred Stock in accordance with any sinking fund or purchase fund in respect thereof, either (x) within one year after the date of any sale, lease or other disposition by the Company of assets which constitute 25% or more of the consolidated assets of the Company and its subsidiaries, out of the proceeds of such sale, lease or other disposition or (y) within six months prior to any such sale, lease or other disposition, in anticipation of receipt of the proceeds thereof, then, in any such event, the Company will not later than 60 days prior to the date on which the Company or a subsidiary proposes to engage in such transaction, deliver to all holders of shares of the 1974 Series an Officer's Certificate setting forth appropriate details with respect to such proposed transaction. In the event that the holders of 66 $\frac{2}{3}$ % of the shares of the 1974 Series outstanding before giving effect to such proposed transaction shall not, within 30 days after receipt of such Officer's Certificate, have filed with the Company written waivers of their rights to demand redemption of their shares pursuant to this Article IV, then, in the event the Company or such Subsidiary nevertheless completes such transaction, the holders of 66 $\frac{2}{3}$ % of the outstanding shares of the 1974 Series outstanding before giving effect to such transaction shall be entitled, by written notice to the Company at any time after receipt of the Officer's Certificate referred to above and not later than 60 days after the date on which the Company or such Subsidiary completes such transaction, to request the Company to redeem, and as soon as practicable after completion of such transaction or receipt of such notice, whichever occurs later, the Company shall redeem, all outstanding shares of the 1974 Series out of funds legally available for such purpose at a price equal to \$1,000.00 per share plus an amount equal to all accrued and unpaid dividends thereon to and including the date of payment. The Company shall effect such redemption in the same manner as is provided with respect to redemptions at the Company's option in Paragraph (d) of Subdivision I of Article Fourth of the Articles. As used herein the term "Person" shall mean and include an individual, a partnership, a joint venture, a corporation, a trust, an unincorporated organization and a government or any department or agency thereof.

**V. Liquidation Prices.** (a) The amount payable on each share of the 1974 Series in the event of the involuntary dissolution, liquidation or winding up of the Company shall be \$1,000.00 per share plus an amount equal to all accrued and unpaid dividends thereon to and including the date of payment.

(b) The amount payable on each share of the 1974 Series in the event of the voluntary dissolution, liquidation or winding up of the Company shall be:

(i) if the date of payment with respect to such voluntary dissolution, liquidation or winding up is prior to March 15, 1980, \$1,083.75, plus an amount equal to all accrued and unpaid dividends thereon to and including such date; and

(ii) if the date of such payment is on or after March 15, 1980, an amount equal to the then applicable redemption price specified in Article III hereof plus an amount equal to all accrued and unpaid dividends thereon to and including such date.

**VI. Sinking Fund Provisions.** (a) Subject to the provisions of Paragraph (f) of Subdivision I of Article FOURTH of the Articles, the Company will redeem out of funds legally available for such purpose, in accordance with the provisions of Paragraph (d) of such Subdivision I, on March 15, 1979, and on each March 15 thereafter so long as any shares of the 1974 Series shall remain outstanding, as and for a Sinking Fund for the 1974 Series, 2,500 shares of the 1974 Series at a sinking fund redemption price of \$1,000.00 per share plus an amount equal to all accrued and unpaid dividends thereon to and including the redemption date, such Sinking Fund obligation to be cumulative. Shares previously redeemed or otherwise acquired by the Company may not be used to satisfy any Sinking Fund obligation with respect to the 1974 Series.

(b) The Company may at its election increase the number of shares of the 1974 Series to be redeemed pursuant to Paragraph (a) of this Article VI on March 15, 1979, and on each March 15 thereafter so long as any shares of the 1974 Series shall remain outstanding, by not exceeding an additional 2,500 shares, *provided, however*, that no more than 12,500 additional shares of the 1974 Series may be redeemed pursuant to this Paragraph (b). The right to redeem additional shares pursuant to this Paragraph (b) shall not cumulate if not elected in any year.


**VII. Pro Rata Redemption.** If less than all of the shares of the 1974 Series are to be redeemed, whether pursuant to the Sinking Fund or otherwise pursuant to this resolution, the shares to be redeemed shall be selected pro rata so that there shall be redeemed from each registered holder of such shares that number of whole shares, as nearly as practicable to the nearest share, as bears the same ratio to the total number of shares held by such holder as the total number of shares to be redeemed bears to the total number of shares of the 1974 Series at the time outstanding.

**VIII. No Additional Shares.** The authorized number of shares of the 1974 Series specified in Article I hereof may not be increased.

**IX. Definitions.** For purposes of these resolutions, the term "subsidiary" shall have the definition set forth in Paragraph (1)(3) of Subdivision I of Article FOURTH of the Articles and the term "Officer's Certificate" shall mean a certificate signed in the name of the Company by its President, one of its Vice-Presidents or its chief financial officer."

IN TESTIMONY WHEREOF, witness our signatures this 20th day of March, 1974.

  
DAVID C. WILLIAMS, Vice President

  
JOHN P. WARD, Deputy Secretary

STATE OF KENTUCKY }  
COUNTY OF BOYD } SS.:

I, LINDA OSBORNE, a Notary Public for said State at Large, do hereby certify that on this 20th day of March, 1974 personally appeared before me JOHN P. WARD, who being by me first duly sworn, declared that he is the Deputy Secretary of ASHLAND OIL, Inc. and that he signed the foregoing document as Deputy Secretary of the Corporation and that the statements therein contained are true.

*Linda Osborne*  
Notary Public

[NOTARIAL SEAL]

State of Kentucky at Large

My commission expires September 13, 1976

ORIGINAL COPY  
FILED  
SECRETARY OF STATE OF KENTUCKY  
FRANKFORT, KENTUCKY

MAR 20 1974

*Thelma L. Stovace*  
SECRETARY OF STATE

*LM*

PREPARED BY JOHN P. WARD  
1409 WINCHESTER AVE., ASHLAND, KY.

*John P. Ward*

No. <u>287377</u>	
LODGED FOR RECORD	
On the <u>20</u> day of <u>Mar</u>	
19 <u>74</u> at <u>2:10 P.</u>	Recorded
In <u>Art. of Inc.</u>	Book
No. <u>198</u>	Page <u>71</u>

State of Kentucky }  
County of Boyd } Sec.

I, Ray L. Stone, Clerk of Boyd County Court, do certify that the foregoing is a true, correct and complete copy of the Art. of Inc. which appears of record in Book No. 99 Page 71, Boyd County, Kentucky, Records.

Witness my hand, this the 20 day of March 1974

*Ray L. Stone*  
Clerk of the Boyd County Court  
*Effie Charles*  
D.C.