

THE STATE OF NEVADA

DEPARTMENT OF STATE

*I, Wm. D. Swackhamer, the duly qualified and acting Secretary of State of the State of Nevada, do hereby certify that the annexed is a true, full and correct transcript of*

CERTIFICATE OF REDUCTION OF CAPITAL

and

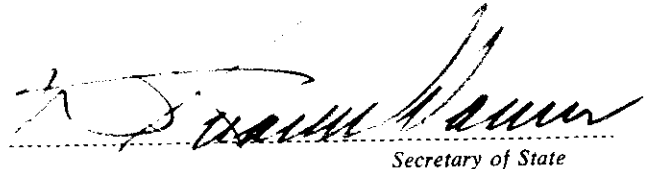
CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION

of

KAISER INDUSTRIES CORPORATION

*as the same appears on file and of record in this office.*

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office in Carson City, Nevada, this 14TH day of JANUARY, A. D., 19 75


  
Secretary of State

By \_\_\_\_\_  
Deputy



JAN 14 1975

WAL SWACKHAMER - SECRETARY OF STATE

  
No. 196-45

KAISER INDUSTRIES CORPORATION

CERTIFICATE OF REDUCTION OF CAPITAL AND  
AMENDMENT OF ARTICLES OF INCORPORATION EFFECTED THEREBY

(Pursuant to Section 78.420 of  
the Nevada Revised Statutes)

KAISER INDUSTRIES CORPORATION, a corporation organized under  
the laws of the State of Nevada, by one of its Vice Presidents and one of its  
Assistant Secretaries and under its corporate seal, does hereby certify that:

1. The Board of Directors of said corporation, at a meeting duly  
convened and held on May 2, 1973, at which meeting a quorum was present  
and acting throughout, adopted resolutions providing for the purchase and  
cancellation of shares of Preferred Stock out of the Purchase Fund provided  
in the Articles of Incorporation and making provision for the reduction of the  
capital of the corporation, such resolutions being as follows:

WHEREAS, pursuant to Section 7 of Article FOURTH of its  
Amended Articles of Incorporation, this Cor-  
poration is obligated to appropriate on July 1, 1973, from  
its earned surplus or from any other funds legally available  
for the purpose, for the Purchase Fund for the retirement of  
its Preferred Stock of the par value of \$50 per share (herein-  
after referred to as "Preferred Stock") an amount equal to  
3-3/4% of the aggregate par value of all shares of the Preferred  
Stock issued and outstanding on December 31, 1960; and

WHEREAS, an amount equal to 3-3/4% of the par value of the Preferred Stock outstanding on December 31, 1960, is \$977,431.88; and

WHEREAS, this Corporation is obligated to use its best efforts to apply such \$977,431.88 to the purchase of shares of its Preferred Stock prior to December 31, 1973, in such amounts and in such manner as the Board of Directors in its discretion may determine.

NOW, THEREFORE, be it

RESOLVED, that as of July 1, 1973, there is appropriated from the earned surplus of this Corporation the sum of \$977,431.88 for the purposes of the Purchase Fund for the retirement of its Preferred Stock; and

RESOLVED FURTHER, that the Treasurer of this Corporation is authorized and directed to apply the amount so appropriated to the purchase of shares of Preferred Stock prior to December 31, 1973, in such amounts, in such manner, either in the open market or otherwise, and at such price or prices (but not more than \$50 per share, exclusive of accrued and unpaid dividends, commissions and taxes) as such officer in his discretion may determine; and

RESOLVED FURTHER, that the Treasurer is authorized to employ such agent for the purchase of such Preferred Stock as he may determine necessary or desirable, and in connection therewith to pay any fees or commissions charged by such agent or agents; and

RESOLVED FURTHER, that if on December 31, 1973, there shall be \$10,000 or more in the Purchase Fund, the Treasurer, acting if he deems it advisable through such agent or agents as he may appoint, shall invite tenders from the holders of Preferred Stock to sell shares of such stock to the Corporation in the manner and upon the conditions set forth in such Section 7 of Article FOURTH of the Amended Articles of Incorporation of this Corporation; and

RESOLVED FURTHER, that pursuant to Paragraph 8 of such Article FOURTH of the Amended Articles of Incorporation of this Corporation, all shares of Preferred Stock purchased out of the Purchase Fund pursuant thereto shall not be reissued or otherwise disposed of and shall be cancelled; and

RESOLVED FURTHER, that as of December 31, 1973, the capital of this Corporation shall be reduced by the amount of \$50 for each share of Preferred Stock purchased from the Purchase Fund on or after January 1, 1973, and on or prior to such date, and the number of shares of Preferred Stock which this Corporation is authorized to have outstanding shall be reduced by the number of shares so purchased from the Purchase Fund whether purchased pursuant to these resolutions or pursuant to other authorization; and

RESOLVED FURTHER, that as of December 31, 1973, the President or a Vice President and the Secretary or an Assistant Secretary are authorized and directed to execute and acknowledge the certificate required by Section 78.420 of the Nevada Revised Statutes, 1957, and after such execution and acknowledgment to file such certificate on December 31, 1973, or as soon thereafter as practicable, in the manner provided by law and to do all other acts and things necessary or desirable to carry out the purpose of these resolutions; and

RESOLVED FURTHER, that the proper officers of this Corporation are directed to credit to its Capital Surplus Arising from Reduction of Stated Capital Account the difference, if any, between the costs of purchase of the shares of Preferred Stock purchased out of the Purchase Fund on or after January 1, 1973, and on or prior to December 31, 1973, and the amount of capital reduced pursuant to these resolutions.

2. The Board of Directors of said corporation, at a meeting duly convened and held on November 26, 1973, at which meeting a quorum was present and acting throughout, adopted resolutions providing for the purchase and cancellation of shares of Preferred Stock out of the Purchase Fund provided in the Articles of Incorporation and making provision for the reduction of the capital of the corporation, such resolutions being as follows:

WHEREAS, pursuant to Section 7 of Article FOURTH of its Amended Articles of Incorporation, this Corporation is obligated to appropriate on January 1, 1974, from

its earned surplus or from any other funds legally available for the purpose, for the Purchase Fund for the retirement of its Preferred Stock of the par value of \$50 per share (hereinafter referred to as "Preferred Stock") an amount equal to 3-3/4% of the aggregate par value of all shares of the Preferred Stock issued and outstanding on December 31, 1960; and

WHEREAS, an amount equal to 3-3/4% of the par value of the Preferred Stock outstanding on December 31, 1960, is \$977,431.88; and

WHEREAS, this Corporation is obligated to use its best efforts to apply such \$977,431.88 to the purchase of shares of its Preferred Stock prior to June 30, 1974, in such amounts and in such manner as the Board of Directors in its discretion may determine.

NOW, THEREFORE, be it

RESOLVED, that as of January 1, 1974, there is appropriated from the earned surplus of this Corporation the sum of \$977,431.88 for the purposes of the Purchase Fund for the retirement of its Preferred Stock; and

RESOLVED FURTHER, that the Treasurer of this Corporation is authorized and directed to apply the amount so appropriated to the purchase of shares of Preferred Stock prior to July 1, 1974, in such amounts, in such manner, either in the open market or otherwise, and at such price or prices (but not more than \$50 per share, exclusive of accrued and unpaid dividends, commissions and taxes) as such officer in his discretion may determine; and

RESOLVED FURTHER, that the Treasurer is authorized to employ such agent or agents for the purchase of such Preferred Stock as he may determine necessary or desirable, and in connection therewith to pay any fees or commissions charged by such agent or agents; and

RESOLVED FURTHER, that, pursuant to the provisions of Section 7 of Article FOURTH of the Amended Articles of Incorporation, if on June 30, 1974 there shall be \$10,000 or more in the Purchase Fund, the Treasurer, acting if he deems it advisable through such agent or agents as he may appoint, shall invite tenders from the holders of Preferred Stock to sell shares of such stock to the Corporation and the Corporation shall, out of the Purchase Fund, purchase shares tendered, all in the manner and upon the conditions set forth in such Section 7 of Article FOURTH; and

RESOLVED FURTHER, that pursuant to Paragraph 8 of such Article FOURTH of the Amended Articles of Incorporation of this Corporation, all shares of Preferred Stock purchased out of the Purchase Fund pursuant thereto shall not be reissued or otherwise disposed of and shall be cancelled; and

RESOLVED FURTHER, that as of December 31, 1974, the capital of this Corporation shall be reduced by the amount of \$50 for each share of Preferred Stock purchased out of the Purchase Fund on or after January 1, 1974, and on or prior to such date, and the number of shares of Preferred Stock which this Corporation is authorized to have outstanding shall be reduced by the number of shares so purchased out of the Purchase Fund whether purchased pursuant to these resolutions or pursuant to other authorization; and

RESOLVED FURTHER, that as of December 31, 1974, with respect to the reduction of capital provided for in the next preceding resolution, the President or a Vice President and the Secretary or an Assistant Secretary are authorized and directed to execute and acknowledge the certificate required by Section 78.420 of the Nevada Revised Statutes, 1957, and after such execution and acknowledgment to file or cause to be filed such certificate on December 31, 1974, or as soon thereafter as practicable, in the manner provided by law and to do all other acts and things necessary or desirable to carry out the purpose of these resolutions; and

RESOLVED FURTHER, that the proper officers of this Corporation are directed to credit to its Capital Surplus Arising from Reduction of Stated Capital Account the difference, if any, between the costs of purchase of the shares of Preferred Stock purchased out of the Purchase Fund on or after January 1, 1974, and on or prior to December 31, 1974, and the amount of capital reduced pursuant to these resolutions.

3. During the period begun January 1, 1974 and ended December 31, 1974, pursuant to the resolutions recited in Paragraphs 1 and 2 hereof and the provisions of the Articles of Incorporation, the corporation purchased out of the Purchase Fund, and cancelled, a total of 40,960 shares of Preferred Stock, having an aggregate par value of \$2,048,000, which aggregate par value of

\$2,048,000 is the amount of capital attributed to such shares on the books of account. Pursuant to the provisions of the Articles of Incorporation, such shares may not be reissued or otherwise disposed of.

4. As of December 31, 1974, pursuant to the resolutions recited in Paragraphs 1 and 2 hereof, the number of shares of Preferred Stock which the corporation has authority to have outstanding is reduced by 40,960 shares, the aggregate number of shares purchased and cancelled as set forth in Paragraph 3 hereof, and the total authorized capital stock is reduced by an amount equal to \$50 per share of Preferred Stock so purchased and cancelled, or the aggregate amount of \$2,048,000, which aggregate amount is also the aggregate par value of such shares. As of December 31, 1974, the total authorized capital stock is reduced (by such aggregate amount) to 174,654,500, consisting of 40,293,090 shares, of which 293,090 shares are Preferred Stock of the par value of \$50 per share and 40,000,000 shares are Common Stock of the par value of \$4 per share. The Articles of Incorporation shall be deemed to be amended accordingly.

5. The reduction of capital set forth herein and the amendment of the Articles of Incorporation thereby effected were made without the requirement of any vote or consent of stockholders, pursuant to Section 78.420 of the Nevada Revised Statutes.

IN WITNESS WHEREOF, KAISER INDUSTRIES CORPORATION has caused this certificate to be signed by one of its Vice Presidents and one of its

Assistant Secretaries and its corporate seal to be hereto affixed this 10th day of January, 1975.

KAISER INDUSTRIES CORPORATION

(Corporate Seal)

By JAMES K. PARKER  
Vice President

And JACK G. NELSON  
Assistant Secretary

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF ALAMEDA )

On January 10, 1975, personally appeared before me, a Notary Public, JAMES K. PARKER and JACK G. NELSON, who acknowledged that they executed the above instrument.

(Notarial Seal)

GLORIA RICHARDSON  
NOTARY PUBLIC  
for the State of California