

5/9/1963

Minutes of Board of Directors Meeting

Raritan River Rail Road Company

The President stated that in his opinion it was desirable, for the best interests, and for reasons germane to the business of the Company, that a recapitalization of the Company be effected. To that end, he submitted the following Plan of Reorganization:

PLAN OF REORGANIZATION OF RARITAN RIVER RAIL ROAD COMPANY

The Certificate of Incorporation of the Company will be amended to authorize the issuance of one hundred twenty-five thousand (125,000) shares of stock, without nominal or par value, to consist of one hundred thousand (100,000) shares of preferred stock, having a stated value of \$10.00 per share and twenty-five thousand (25,000) shares of common stock, having a stated value of \$1.00 per share. The preferred stock will have no voting power but will be entitled to cumulative dividends at the rate of \$5.00 per year and, upon liquidation, will be entitled to a liquidation preference of \$20.00 per share, with any excess of such amount to be divided among the preferred and common stockholders in proportion to the respective numbers of shares and stated value of each class of stock.

An offer will be made to the present holders of the outstanding capital stock to exchange their stock for the new preferred stock upon the basis of ten (10) shares

of preferred stock for each share of common stock. The common stock received by the Company upon such exchange will be retired and cancelled as received. The twenty-five thousand (25,000) shares of common stock to be authorized hereunder may be issued and sold by the Company from time to time, in such manner and for such consideration, not less than its stated value, as may be determined by the Board of Directors.

WHEREUPON, upon motion duly made and seconded, it was

RESOLVED, that the Board approves and adopts the Plan of Reorganization in the form this day submitted.

RESOLVED, that the Board deems it advisable and hereby declares it to be advisable and hereby recommends to the stockholders:

That the total authorized stock of the said company shall be one hundred twenty-five thousand (125,000) shares, without nominal or par value, to consist of one hundred thousand (100,000) shares of preferred stock (with the rights, preferences and voting powers hereinafter recited) and twenty-five thousand (25,000) shares of common capital stock, all of which shall be issued without nominal or par value.

That all of the said one hundred thousand (100,000) shares of authorized preferred stock be offered in exchange to the holders of the presently outstanding ten thousand

(10,000) shares of common stock, of the par value of \$100 each, on the basis of ten (10) such preferred shares for each such common share.

That all or any portion of the ten thousand (10,000) shares of presently outstanding common stock shall be retired and cancelled, when and as the same are surrendered to the Company pursuant to the said exchange.

That the aforesaid twenty-five thousand (25,000) shares of authorized common stock without nominal or par value may from time to time be issued and sold by the Company in such manner and for such consideration as from time to time may be fixed by its board of directors.

That article sixth of the certificate of incorporation of the company, be amended, changed and altered to read as follows: "The amount of the total authorized capital stock of the corporation is one hundred twenty-five thousand (125,000) shares, of which one hundred thousand (100,000) are to be preferred shares without nominal or par value, and the remaining twenty-five thousand (25,000) shares are to be common stock without nominal or par value. The holders of such preferred shares shall be entitled to receive, and the company shall be bound to pay thereon, cumulative dividends at the rate of five dollars (\$5.00) per share per annum, from the date of issue, payable in the months of December and June, and no dividends shall be declared or paid on the common stock until all said dividends upon the preferred shares shall be paid or accumulated and set aside for each then

previous half year since the said preferred shares are issued. All dividends made in excess of said five dollars (\$5.00) per share per annum upon the preferred shares shall be paid upon the common shares. In case of the dissolution of the corporation in any manner the surplus assets after payment of debts shall first be paid to the holders of the preferred shares to the extent of twenty dollars (\$20.00) per share, and the remainder of the assets shall be divided among the holders of preferred and common shares in proportion to the respective numbers of shares on the basis of the stated value of each such class of stock. The holders of such preferred shares shall not be entitled to vote at meetings of the stockholders of the company. The said preferred shares may be issued in exchange for outstanding common stock of the Company of the par value of \$100 per share, on the basis of ten (10) such preferred shares for each such common share. The said common shares without nominal or par value may be issued by the corporation from time to time and for such consideration as may be determined upon and fixed by the Board of Directors, as provided by law."

RESOLVED, that, in order to conform the by-laws of this Company to the foregoing changes in its capitalization, the Board recommends that the same be amended in the following particulars, to wit:

Article IV, first paragraph: change the word

"capital" to "voting"

Article IV, third paragraph, first sentence: insert

the word "voting" before "Stockholders."

Article IV, third paragraph, second sentence: insert

the word "voting" before "stock!"

Article V, first sentence: in lieu of the words

"each of whom must be a stockholder of the

Company" insert "each of whom shall be a bona

fide stockholder as required by law."

Article VI, first sentence: insert the word

"voting" before "stock."

Article VI, third sentence: insert the word

"voting" before "stock" in each of two places.

Article XI: Add at the end thereof "In connection

with the payment of any dividend upon the

common stock of the Company, the transfer

books shall close on a date which shall be

not less than thirty (30) days after the

date upon which the Board of Directors has

declared such dividend."

Article XXII: insert the word "voting" before

"stock."

RESOLVED, that the foregoing matters, including such proposed amendments, changes or alterations in the certificate of incorporation and by-laws of the company, shall be made effective only after such approval and authorization of the Interstate Commerce Commission, or other regulatory authority, as shall be satisfactory to the proper officers and counsel for the company, shall first be obtained and become effective.

RESOLVED, that H. T. Filskov, General Manager, or R. G. Kipp, Secretary and Treasurer, is authorized to sign, verify and file on behalf of this Company such application or applications to the Interstate Commerce Commission and to any other regulatory or administrative body, as may be necessary in connection with the issuance of securities pursuant to the foregoing resolution.

RESOLVED, that the Board hereby authorizes and directs the proper officers to issue and sell twenty-five thousand (25,000) shares of the common stock of the Company without nominal or par value to Central Railroad Company of Pennsylvania for the price and sum of one dollar (\$1.00) for each such share whenever the issuance of the said common shares shall have been approved and authorized by the stockholders of the Company and by the Interstate Commerce Commission.

RESOLVED, that the proper officers are severally authorized in the name and on behalf of this Company, to execute, deliver, file, record and approve, under the corporate seal of this Company or

otherwise, any and all instruments, certificates, agreements, requests, documents and papers, including supplements to any of the foregoing, and to do, or cause to be done, all such other acts and things as may be necessary or appropriate to effectuate and carry out the intent of the foregoing resolutions.