Certified Copy

AGREEMENT OF MERGER

Dated March 23, 1967

Between

GENERAL ANILINE & FILM CORPORATION

and

THE RUBEROID CO.

WINTHROP, STIMSON, PUTNAM & ROBERTS
40 WALL STREET, NEW YORK, N.Y. 10005
WHITEHALL 3-0700

AGREEMENT OF MERGER

Agreement of Merger dated March 23, 1967, between GENERAL ANILINE & FILM CORPORATION, a Delaware corporation (hereinafter called "GAF"), whose principal office and place of business in the State of Delaware is at 100 West Tenth Street, Wilmington, and a majority of the directors thereof, and THE RUBEROID CO., a New Jersey corporation (hereinafter called "Ruberoid"), whose principal office and place of business in the State of New Jersey is at Canal Road, South Bound Brook, and a majority of the directors thereof (said corporations being hereinafter sometimes referred to as the "Constituent Corporations").

WHEREAS, the respective Boards of Directors of the Constituent Corporations deem it advisable for the general welfare and advantage of the respective Constituent Corporations and their respective stockholders that the Constituent Corporations merge into a single corporation pursuant to this Agreement and the applicable laws of the States of Delaware and New Jersey;

NOW, THEREFORE, in consideration of the mutual agreements and conditions herein contained, the Constituent Corporations hereby agree each with the other, in accordance with the applicable laws of the States of Delaware and New Jersey, that Ruberoid shall be merged with and into GAF as the surviving corporation, the name of which shall continue to be GENERAL ANILINE & FILM CORPORATION (and which in its capacity as such surviving corporation is hereinafter called the "Surviving Corporation"), and the terms and conditions of the merger and the mode of carrying it into effect are and shall be as follows:

ARTICLE I. *Effective Date; Filing Date.* When this Agreement shall have been authorized, adopted, approved, signed, acknowledged, filed and recorded in accordance with the laws of the State of Delaware and shall have been adopted, certified and filed in accordance with the laws of the State of New Jersey, the separate existence of Ruberoid shall cease and it shall be merged into the Surviving Corporation. The date on which such recording and filing have been completed shall be known as the "Effective Date", provided, however, that for accounting purposes only, the merger shall be considered effective as of the close of business on the last day of the calendar month in which the Effective Date occurs. Counsel for each of the Constituent Corporations shall agree upon the date on which this Agreement shall be submitted for filing in the States of Delaware and New Jersey, but such submission shall take place with reasonable promptness after the due approval of this Agreement by the respective stockholders of the Constituent Corporations and the fulfillment or waiver of all of the other conditions contained in Articles XII and XIII hereof. The date of such submission for filing shall be known as the "Filing Date".

ARTICLE II. *Governing Law; Certificate of Incorporation.* The laws which are to govern the Surviving Corporation are the laws of the State of Delaware. The Certificate of Incorporation of GAF as in effect on the Effective Date, which shall be as stated in Exhibit A hereto, shall be the Certificate of Incorporation of the Surviving Corporation from and after the Effective Date, subject always to the right of the Surviving Corporation to amend its Certificate of Incorporation in accordance with the laws of the State of Delaware.

ARTICLE III. *By-Laws.* The By-Laws of the Surviving Corporation shall be the By-Laws of GAF as in effect on the Effective Date, until changed or amended as provided therein.

ARTICLE IV. *Manner of Converting Shares; Capitalization.* The mode of carrying the merger into effect and the manner and basis of converting the shares of Ruberoid into shares of the Surviving Corporation, forthwith upon the Effective Date, are as follows:

(a) Each share of Capital Stock of Ruberoid of the par value of $1 per share which is issued and outstanding on the Effective Date (other than shares of such Capital Stock then owned by GAF or Ruberoid) shall, by virtue of the merger and without any action on the part of the holder thereof, be converted into one share of $1.20 Convertible Preferred Stock of the Surviving Corporation of the par value of $1 per share, of which the voting powers, designations, preferences and relative, participating or other rights, and the qualifications, limitations or restrictions thereof, are set forth in Exhibit A hereto, and which is hereafter in this Article IV called the "New Preferred".

(b) Each share of Capital Stock of Ruberoid of the par value of $1 per share, which is issued and outstanding and owned by GAF or Ruberoid on the Effective Date shall, by virtue of the merger and without any action on the part of GAF or Ruberoid, be forthwith retired and cancelled.

(c) The shares of Common Stock of GAF of the par value of $1 per share, issued and outstanding on the Effective Date, and any shares of such Common Stock held by it in its treasury, shall remain unchanged, and each certificate evidencing ownership of any such shares shall continue to evidence ownership of the same number of shares of the Surviving Corporation.

As promptly as practicable after the Effective Date, each holder of an outstanding certificate or certificates theretofore representing shares of Capital Stock of Ruberoid shall surrender the same to First National City Bank, New York, N. Y., and such holder shall be entitled upon such surrender to receive in exchange therefor a certificate or certificates representing the number of full shares of New Preferred into which the shares of Capital Stock of Ruberoid theretofore represented by the certificate or certificates so surrendered shall have been converted as aforesaid. Until so surrendered, each outstanding certificate which, prior to the Effective Date, represented Capital Stock of Ruberoid, shall be deemed for all purposes, other than the payment of dividends or other distributions, to evidence ownership of the number of shares of New Preferred into which the shares of Capital Stock of Ruberoid (which, prior to the Effective Date, were represented thereby) have been so converted, and no dividend or other distribution, if any, payable to holders of record of the shares of New Preferred as of any date subsequent to the Effective Date shall be paid to the holders of outstanding certificates theretofore representing shares of Capital Stock of Ruberoid; provided, however, that upon surrender and exchange of such outstanding certificates theretofore representing shares of Capital Stock of Ruberoid there shall be paid to the record holders of the certificates issued in exchange therefor the amount, without interest thereon, of dividends and other distributions, if any, which would have theretofore become payable with respect to the shares of New Preferred represented thereby.

On the Effective Date, each outstanding option to purchase or right to receive shares of Capital Stock of Ruberoid granted under Ruberoid's Incentive Stock Option Plan or Incentive Compensation Plan shall be assumed by the Surviving Corporation and shall forthwith be converted into an option to purchase or right to receive from the Surviving Corporation a number of shares of New Preferred equal to the number of shares of Capital Stock of Ruberoid receivable or purchasable thereunder without any change in the aggregate valuation or option price. Each such option and right shall otherwise be upon the same terms and conditions as set forth in Ruberoid's Incentive Stock Option Plan or Incentive Compensation Plan, respectively.

The total number of shares of all classes of stock which the Surviving Corporation shall have authority to issue shall be 31,000,000 shares, consisting of (i) 25,000,000 shares of Common Stock of the par value of $1 per share and (ii) 6,000,000 shares of Convertible Preferred Stock of the par value of $1 per share, divided into and issuable in series, of which 3,188,520 shares shall be of an initial series designated $1.20 Convertible Preferred Stock.

ARTICLE V. *Board of Directors and Officers.* Initially, and until the election and qualification of their respective successors, the members of the Board of Directors of the Surviving Corporation (who shall be 16 in number) shall consist of the following persons:

Name	Post Office Address
Jesse Werner	140 West 51st Street New York, N. Y. 10020
T. Roland Berner	304 Valley Boulevard Wood-Ridge, N. J. 07075
John B. Bridgwood	One Chase Manhattan Plaza New York, N. Y. 10015
John A. Coleman	11 Wall Street New York, N. Y. 10005
Philip B. Dalton	140 West 51st Street New York, N. Y. 10020

Name	Post Office Address
Francis A. Gibbons	140 West 51st Street New York, N. Y. 10020
Oveta Culp Hobby	2410 Polk Avenue Houston, Texas 77001
Bailey K. Howard	401 North Wabash Avenue Chicago, Illinois 60611
Mathew Manes	250 Park Avenue New York, N. Y. 10017
Wm. Peyton Marin	84 William Street New York, N. Y. 10038
Seymour Milstein	733 Third Avenue New York, N. Y. 10017
E. J. O'Leary	733 Third Avenue New York, N. Y. 10017
Donald L. Sanders	140 West 51st Street New York, N. Y. 10020
Chris C. Schulze	140 West 51st Street New York, N. Y. 10020
Sumner H. Williams	65 Joanna Way Short Hills, N. J. 07078
Alvin Zises	1255 Boylston Street Boston, Mass. 02115

In case any vacancy shall occur prior to the Effective Date, it may be filled after the Effective Date by the remaining Directors in accordance with the By-Laws of the Surviving Corporation.

Initially, the officers of the Surviving Corporation (who shall be 13 in number) shall consist of the following persons, who shall continue in office at the pleasure of the Board of Directors of the Surviving Corporation:

Name	Office	Post Office Address
Jesse Werner	Chairman of the Board and President	140 West 51st Street New York, N. Y. 10020
Francis A. Gibbons	Executive Vice President	140 West 51st Street New York, N. Y. 10020
Philip B. Dalton	Vice President	140 West 51st Street New York, N. Y. 10020
E. J. O'Leary	Vice President	733 Third Avenue New York, N. Y. 10017
Donald L. Sanders	Vice President	140 West 51st Street New York, N. Y. 10020
Chris C. Schulze	Vice President	140 West 51st Street New York, N. Y. 10020
James M. Cloney	Vice President	140 West 51st Street New York, N. Y. 10020
Leon Katz	Vice President	140 West 51st Street New York, N. Y. 10020
Benjamin D. Sisson	Vice President	140 West 51st Street New York, N. Y. 10020
Frank P. Sortile	Treasurer	140 West 51st Street New York, N. Y. 10020
C. Joseph Hyland	Secretary	140 West 51st Street New York, N. Y. 10020
Herbert L. Abrons	Counsel	140 West 51st Street New York, N. Y. 10020
John F. Heintz	Controller	140 West 51st Street New York, N. Y. 10020

Article VI. *Effect of the Merger.* Upon the merger becoming effective, all the rights, privileges, powers and franchises and all property and assets of every kind and description of Ruberoid, including, without limitation, patents, trademarks, tradenames, names, licenses and registrations, and the good will relating to any of the foregoing, shall be vested in and be held and enjoyed by the Surviving Corporation, without further act or deed, and all the estates and interests of every kind of the Constituent Corporations, including all debts due to any of them on whatever account, shall be as effectually the property of the Surviving Corporation as they were of the respective Constituent Corporations, and the title to any real estate vested by deed or otherwise in any of the Constituent Corporations shall not revert or be in any way impaired by reason of the merger; and all rights of creditors and all liens upon any property of any of the Constituent Corporations shall be preserved unimpaired, and all debts, liabilities and duties of the respective Constituent Corporations shall thenceforth attach to the Surviving Corporation and may be enforced against it to the same extent as if said debts, liabilities and duties had been incurred or contracted by it.

Ruberoid hereby agrees, to the extent permitted by law, from time to time, as and when requested by the Surviving Corporation or by its successors or assigns, to execute and deliver, or cause to be executed and delivered, all such deeds and instruments, and to take, or cause to be taken, such further or other action as the Surviving Corporation may deem necessary or desirable in order to vest in and confirm to the Surviving Corporation title to, and possession of, any property of Ruberoid acquired or to be acquired by reason of or as a result of the merger herein provided for, and otherwise to carry out the intent and purposes hereof, and the proper officers and directors of Ruberoid and the proper officers and directors of the Surviving Corporation are hereby authorized, in the name of Ruberoid or otherwise, to take any and all such action.

Article VII. *Approval of Stockholders.* This Agreement shall be submitted to the stockholders of each of the Constituent Corporations as provided by the applicable laws of the States of Delaware and New Jersey at meetings called separately to be held for that purpose on or before May 31, 1967, and if this Agreement shall have been adopted by the requisite vote or consent of such stockholders (which, in the case of each of the Constituent Corporations is the vote of the holders of at least two-thirds of the respective shares of Common or Capital Stock outstanding) and signed and acknowledged in accordance with the applicable laws of the States of Delaware and New Jersey, then provided all conditions herein contained shall have been fulfilled at such date, this Agreement shall be filed and recorded in accordance with the laws of the State of Delaware and a certified copy of this Agreement shall be filed in accordance with the laws of the State of New Jersey, all as contemplated by Article I hereof. The Constituent Corporations shall do all such acts and things as shall be necessary or desirable in order to effectuate the merger.

This Agreement shall not be so submitted to the stockholders of the Constituent Corporations unless the conditions referred to in Article XII (e) and Article XIII (e) shall have theretofore been met.

Article VIII. *Representations and Warranties of Ruberoid.* Ruberoid represents and warrants that:

(a) Ruberoid is a corporation duly organized and existing and in good standing under the laws of the State of New Jersey and has an authorized capital stock consisting of 10,000,000 shares of Capital Stock of the par value of $1 per share of which, as of the date hereof, 4,172,832 shares are issued and outstanding, exclusive of 42,986 shares held in the treasury; no authorized but unissued shares of such Capital Stock have been reserved for issuance for any purpose except 101,690 shares reserved for issuance under Ruberoid's Incentive Stock Option Plan and there are outstanding no other options, warrants or rights to purchase shares of such Capital Stock.

(b) The following subsidiaries of Ruberoid constitute all of the presently active subsidiaries of Ruberoid and are duly organized and validly existing in the states of their respective incorporation: American Felt Company (Massachusetts) and its subsidiary Dryer Felt Company (Connecticut). All the outstanding capital stock of each of said subsidiaries is owned by Ruberoid, subject to no liens or encumbrances, except that 313 shares of the 192,730 outstanding shares of Common Stock and all of the outstanding 4,474 shares of 6% Cumulative Preferred Stock of American Felt

Company are owned by persons other than Ruberoid, and American Felt Company owns all the outstanding capital stock of Drycor Felt Company.

(c) The consolidated statements of financial position of Ruberoid and its subsidiaries as at December 31, 1966, 1965 and 1964 and the statements of consolidated earnings and income retained in the business of Ruberoid and its subsidiaries for the three years ended on such dates, certified by Price Waterhouse & Co., copies of which have been delivered by Ruberoid to GAF, fairly present the financial position of Ruberoid and its subsidiaries as at said dates and the results of their operations for the years then ended. All such statements have been prepared in conformity with generally accepted accounting principles consistently applied.

(d) Since December 31, 1966, there has been no material adverse change in the business or properties or in the condition, financial or otherwise, of Ruberoid and its subsidiaries.

(e) Except as heretofore disclosed in writing by Ruberoid to GAF, there is no material litigation, proceeding or investigation pending or threatened which might result in a materially adverse change in the properties or business or in the condition, financial or otherwise, of Ruberoid and its subsidiaries or which questions the validity or legality of this Agreement or of any action taken or to be taken by Ruberoid prior to or in connection with this Agreement.

(f) Except as heretofore disclosed in writing by Ruberoid to GAF, neither Ruberoid nor any of its subsidiaries is a party to any material contract not in the ordinary course of business which is to be performed in whole or in part at or after the date of this Agreement.

(g) Ruberoid and its subsidiaries, respectively, have good and marketable title to all the real property, and good and valid title to all other property, included in the consolidated statement of financial position of Ruberoid and its subsidiaries as of December 31, 1966, other than property disposed of in the ordinary course of business after said date. The properties of Ruberoid and its subsidiaries are not subject to any mortgage, pledge, reservation, encumbrance or lien of any kind except minor encumbrances which do not materially interfere with the use of the property in the conduct of the business of Ruberoid or its subsidiaries, as the case may be.

(h) The federal income tax returns of Ruberoid and its subsidiaries have been audited by the Internal Revenue Service for all years to and including the taxable year ending December 31, 1960. The provisions for federal and state income taxes reflected in the financial statements referred to in subparagraph (c) of this Article VIII are adequate to cover any such taxes which may be assessed against Ruberoid and its subsidiaries in respect of their business and operations during the periods covered by said financial statements and all prior periods.

(i) Consummation of the merger will not violate or result in a breach of or constitute a default under any provision of any charter, by-law, indenture, mortgage, lease, agreement, contract, instrument, order, judgment, decree, ordinance, regulation or any restriction of any kind or character to which any property of Ruberoid is subject or by which Ruberoid is bound, except Ruberoid's Loan Agreement dated May 5, 1965 between Ruberoid and the Banks named therein and the Agreement dated April 8, 1959 with The Prudential Insurance Company of America which was assumed by Ruberoid on May 3, 1965, and except for possible minor breaches or defaults which in the aggregate would not materially interfere with the use of Ruberoid's properties and assets or the operation of its business.

ARTICLE IX. *Representations and Warranties of GAF.* GAF represents and warrants that:

(a) GAF is a corporation duly organized and existing and in good standing under the laws of the State of Delaware and has an authorized capital stock consisting of 20,000,000 shares of Common Stock of the par value of $1 per share, of which, as of the date hereof, 13,342,060.5 shares are issued and outstanding; no authorized but unissued shares of such Common Stock have been reserved for issuance for any purpose except 380,000 shares reserved for issuance pursuant to options granted or to be granted under GAF's Stock Option Plan, 430 shares reserved for issuance pursuant to an option assumed by GAF and 130,908 shares reserved for issuance upon conversion of GAF's 5¼% Convertible Subordinated Notes due April 1, 1983, and there are outstanding no other options, warrants or rights to purchase shares of such Common Stock.

(b) GAF has heretofore disclosed in writing to Ruberoid the names of all of its presently active subsidiaries and the place of organization and the percentage of the outstanding voting stock of each such subsidiary owned by GAF. Such voting stock is owned directly or indirectly by GAF, subject, in the case of domestic corporations, to no liens or encumbrances.

(c) The consolidated balance sheets of GAF and its subsidiaries as of December 31, 1966, 1965 and 1964 and the statements of consolidated income and retained earnings of GAF and its subsidiaries for the three years on said dates, certified by Haskins & Sells, copies of which have been delivered by GAF to Ruberoid, fairly present the financial position of GAF and its subsidiaries as at said dates and the results of their operations for the years then ended. All such statements have been prepared in conformity with generally accepted accounting principles consistently applied.

(d) Since December 31, 1966, there has been no material adverse change in the business or properties or in the condition, financial or otherwise, of GAF and its subsidiaries.

(e) Except as heretofore disclosed in writing by GAF to Ruberoid, there is no material litigation, proceeding or investigation pending or threatened that might result in any materially adverse change in the properties or business or in the condition, financial or otherwise, of GAF and its subsidiaries or which questions the validity or legality of this Agreement or of any action taken or to be taken by GAF prior to or in connection with this Agreement.

(f) Except as heretofore disclosed in writing by GAF to Ruberoid, neither GAF nor any of its subsidiaries is a party to any material contract not in the ordinary course of business which is to be performed in whole or in part at or after the date of this Agreement.

(g) GAF and its subsidiaries, respectively, have good and marketable title to all the real property, and good and valid title to all other property, included in the consolidated balance sheet of GAF and its subsidiaries as of December 31, 1966, other than property disposed of in the ordinary course of business after said date. The properties of GAF and its subsidiaries are not subject to any mortgage, pledge, reservation, encumbrance or lien of any kind except minor encumbrances which do not materially interfere with the use of the property in the conduct of the business of GAF or its subsidiaries, as the case may be.

(h) The federal income tax returns of GAF have been audited by the Internal Revenue Service for all years to and including the taxable year ending December 31, 1964. The provisions for Federal and state income taxes reflected in the financial statements referred to in subparagraph (c) of this Article IX are adequate to cover any such taxes which may be assessed against GAF in respect of the business and operations during the periods covered by said financial statements and all prior periods.

(i) Consummation of the merger will not violate or result in a breach of or constitute a default under any provision of any charter, by-law, indenture, mortgage, lease, agreement, contract, instrument, order, judgment, decree, ordinance, regulation or any restriction of any kind or character to which any property of GAF is subject or by which GAF is bound, except the Agreements dated July 10, 1947 and July 5, 1951 between GAF and The Metropolitan Life Insurance Company, the Note Exchange Agreements dated October 10, 1966 between GAF and Massachusetts Mutual Life Insurance Company, The Prudential Insurance Company of America and Allstate Insurance Company, respectively, and the Note Exchange Agreement dated October 14, 1966 between GAF and United States National Bank of Oregon, and except for possible minor breaches or defaults which in the aggregate would not materially interfere with the use of GAF's properties and assets or the operation of its business.

ARTICLE X. *Covenants of Ruberoid.* Ruberoid covenants and agrees that from and after the date of this Agreement and until the Effective Date:

(a) Ruberoid will not declare or pay any dividends or make any other distribution of assets to its shareholders, except regular quarterly dividends on its Capital Stock in an amount not exceeding $.25 per share per quarter.

(b) Except as contemplated by this Agreement, neither Ruberoid nor any subsidiary will:

(1) Make any change in its Certificate of Incorporation or By-Laws;

(2) Issue or sell, or issue rights to subscribe to, or grant options to purchase, its Capital Stock (except upon exercise of options heretofore granted) or make any change in its capital structure (except for the purchase of outstanding shares of stock of American Felt Company not owned by Ruberoid);

(3) Enter into any commitment not in the ordinary course of business; or

(4) Purchase any of its outstanding shares of Capital Stock.

Ruberoid covenants and agrees that it will, prior to the Filing Date and subject to the approval of its stockholders, amend Article Third of its Certificate of Incorporation to read as set forth in Exhibit B hereto.

ARTICLE XI. *Covenants of GAF.* GAF covenants and agrees that from and after the date of this Agreement and until the Effective Date:

(a) GAF will not declare or pay any dividends or make any other distribution of assets to its shareholders, except regular quarterly dividends on its Common Stock in an amount not exceeding $.10 per share.

(b) Except as contemplated by this Agreement, GAF will not:

(1) Make any change in its Certificate of Incorporation or By-Laws except as contemplated by GAF's Proxy Statement dated March 17, 1967, a copy of which has been delivered to Ruberoid; or

(2) Without the prior consent of Ruberoid, issue or sell or issue rights to subscribe to its Common Stock (except for shares presently reserved for issuance under GAF's Stock Option Plan or otherwise) or make any change in its capital structure.

GAF covenants and agrees that it will, prior to the Filing Date and subject to the approval of its stockholders, amend Articles Third, Fourth and Fifth of its Certificate of Incorporation, as heretofore amended, so that its Certificate of Incorporation will read as set forth in Exhibit A hereto.

ARTICLE XII. *Conditions Precedent to Obligations of GAF.* GAF need not consummate the merger unless the following conditions shall be fulfilled:

(a) The representations and warranties of Ruberoid set forth in Article VIII of this Agreement shall be true and correct at and as of the Filing Date as though made at and as of such date, except as affected by transactions contemplated hereby, and GAF shall have received a certificate, dated the Filing Date, signed on behalf of Ruberoid by its President or a Vice President and its Treasurer or an Assistant Treasurer, certifying in such detail as GAF may request to the fulfillment of this condition.

(b) Ruberoid shall have performed all agreements herein contained to be performed by it on or before the Filing Date.

(c) This Agreement shall have been adopted by the necessary vote or consent of holders of capital stock of Ruberoid and GAF as set forth in Article VII hereof and any other requirements prescribed by law as requisite to the consummation of the merger shall have been fulfilled.

(d) All consents of third parties, including governmental authorities, necessary on the part of GAF or Ruberoid to the execution and delivery of this Agreement and the consummation of the transactions hereby contemplated, shall have been obtained, except any such consents which in the aggregate would not materially interfere with the use of their respective properties and assets or the operation of their respective businesses.

(e) Article Third of the Certificate of Incorporation of Ruberoid, as heretofore amended, shall have been duly amended to read as set forth in Exhibit B hereto, Articles Third, Fourth and Fifth of the Certificate of Incorporation of GAF, as heretofore amended, shall have been duly amended so that its Certificate of Incorporation will read as set forth in Exhibit A hereto.

(f) The holders of not more than 200,000 shares of Ruberoid Capital Stock and 500,000 shares of GAF Common Stock shall have duly objected to the merger in accordance with the appraisal statutes of the States of New Jersey and Delaware, respectively.

(g) GAF shall have become the beneficial and record owner of not less than 1,090,200 shares of the outstanding Capital Stock of Ruberoid, subject to no lien, charge or encumbrance.

(h) The parties to the agreements referred to in Articles VIII(i) and IX(i) (other than GAF or Ruberoid) shall have consented to the consummation of the merger or the indebtedness outstanding under such agreements shall have been refinanced in a manner satisfactory to GAF.

(i) Ruberoid shall have delivered to GAF an opinion of its counsel, Messrs. Austin, Burns, Smith & Wails, dated as of the Filing Date, in form satisfactory to counsel for GAF, to the effect that:

(1) Ruberoid is a corporation duly organized and existing and in good standing under the laws of the State of New Jersey and is duly qualified to do business as a foreign corporation in each jurisdiction in which the nature of its business or properties requires such qualification;

(2) This Agreement has been duly and validly authorized, executed and delivered by Ruberoid and is valid and binding upon Ruberoid in accordance with its terms; and

(3) All proceedings required by law or the provisions of this Agreement to be taken by Ruberoid on or prior to the Filing Date in connection with the transactions contemplated by this Agreement have been duly and validly taken.

(j) Ruberoid shall have delivered to GAF an opinion of its tax counsel, Herman Goldman, Esq., dated as of the Filing Date, in form satisfactory to counsel for GAF, to the effect that the merger, if consummated as contemplated by this Agreement, will not result in any recognizable gain or loss to GAF or Ruberoid or the stockholders of either of them for Federal income tax purposes.

(k) GAF shall have received an opinion or opinions of its counsel, or GAF shall have received a title policy or policies (or binder therefor), that upon the Effective Date the Surviving Corporation will have acquired title to the real properties described in subparagraph (g) of Article VIII hereof of like quality to that represented in said subparagraph (g).

(l) GAF shall have received a letter from Price Waterhouse & Co., dated the Filing Date, in form and substance satisfactory to GAF, stating that on the basis of consultation with officers of Ruberoid, a limited review (but not an audit) of Ruberoid's accounting records, and other specified procedures and inquiries, nothing has come to their attention which indicates that during the period from December 31, 1966 to a specified date not more than five days prior to the Filing Date there has been any material adverse change in the financial position of Ruberoid and its subsidiaries.

(m) The shares of $1.20 Convertible Preferred Stock issuable pursuant to this Agreement, and the shares of Common Stock issuable upon conversion thereof, shall have been duly listed upon official notice of issuance on the New York Stock Exchange.

(n) None of the information which shall have been furnished by or on behalf of Ruberoid for inclusion in the proxy solicitation material sent to the stockholders of GAF in connection with the meeting of such stockholders to be held in accordance with Article VII of this Agreement shall be false or misleading in any material respect or shall fail to state any fact necessary to make the statements therein not false or misleading in any material respect.

ARTICLE XIII. *Conditions Precedent to Obligations of Ruberoid.* Ruberoid need not consummate the merger unless the following conditions shall be fulfilled:

(a) The representations and warranties of GAF set forth in Article IX of this Agreement shall be true and correct at and as of the Filing Date as though made at and as of said date, except as affected by transactions contemplated hereby, and Ruberoid shall have received a certificate, dated the Filing Date, signed on behalf of GAF by its President or a Vice President and its Treasurer or an Assistant Treasurer, certifying in such detail as Ruberoid may request to the fulfillment of this condition.

(b) GAF shall have performed all agreements herein contained to be performed by it on or before the Filing Date.

(c) This Agreement shall have been adopted by the necessary vote or consent of holders of capital stock of Ruberoid and GAF as set forth in Article VII hereof and any other requirements prescribed by law as requisite to the consummation of the merger shall have been fulfilled.

(d) All consents of third parties, including governmental authorities, necessary on the part of Ruberoid or GAF to the execution and delivery of this Agreement and the consummation of the transactions hereby contemplated shall have been obtained, except any such consents which in the aggregate would not materially interfere with the use of their respective properties and assets or the operation of their respective businesses.

(e) Articles Third, Fourth, and Fifth of the Certificate of Incorporation of GAF, as heretofore amended, shall have been duly amended so that its Certificate of Incorporation will read as set forth in Exhibit A hereto, and Article Third of the Certificate of Incorporation of Ruberoid, as heretofore amended, shall have been duly amended to read as set forth in Exhibit B hereto.

(f) The parties to the agreements referred to in Articles VIII(i) and IX(i) (other than GAF or Ruberoid) shall have consented to the consummation of the merger or the indebtedness outstanding under such agreements shall have been refinanced in a manner satisfactory to Ruberoid.

(g) GAF shall have delivered to Ruberoid an opinion of its counsel, Messrs. Winthrop, Stimson, Putnam & Roberts, dated the Filing Date, in form satisfactory to counsel for Ruberoid, to the effect that:

(1) GAF is a corporation duly organized and existing and in good standing under the laws of the State of Delaware and is duly qualified to do business as a foreign corporation in each jurisdiction in which the nature of the properties owned requires such qualification;

(2) this Agreement has been duly and validly authorized, executed and delivered by GAF and is valid and binding upon GAF in accordance with its terms;

(3) all proceedings required by law or the provisions of this Agreement to be taken by GAF on or prior to the Filing Date in connection with the transactions contemplated by this Agreement have been duly and validly taken; and

(4) The merger, if consummated as contemplated by this Agreement, will not result in any recognizable gain or loss to GAF or Ruberoid or the stockholders of either of them for Federal income tax purposes.

(h) Ruberoid shall have received a letter from Haskins & Sells, dated the Filing Date, in form and substance satisfactory to Ruberoid, stating that on the basis of consultation with officers of GAF, a limited review (but not an audit) of GAF's accounting records, and other specified procedures and inquiries, nothing has come to their attention which indicates that during the period from December 31, 1966 to a specified date not more than five days prior to the Filing Date there has been any material adverse change in the financial position of GAF and its subsidiaries.

(i) The shares of $1.20 Convertible Preferred Stock issuable pursuant to this Agreement, and the shares of Common Stock issuable upon conversion thereof, shall have been duly listed upon official notice of issuance on the New York Stock Exchange.

(j) None of the information which shall have been furnished by or on behalf of GAF for inclusion in the proxy solicitation material sent to the stockholders of Ruberoid in connection with the meeting of such stockholders to be held in accordance with Article VII of this Agreement shall be false or misleading in any material respect or shall fail to state any fact necessary to make the statements therein not false or misleading in any material respect.

ARTICLE XIV. *Termination.* If, in the opinion of the Board of Directors of both of the Constituent Corporations, as evidenced by resolutions adopted by the respective Boards and delivered to the other Constituent Corporation prior to the Filing Date, it is not advisable to proceed with the consummation of the merger for any reason, including, without limitation, the number of shares of either Constituent Corporation for which the holders thereof shall have demanded payment, then this Agreement, notwithstanding the satisfaction of all conditions herein contained, shall terminate. The Constituent Corporations agree that the representations and warranties contained in this Agreement shall expire upon, and be terminated by, the consummation of the merger.

ARTICLE XV. *Waiver.* Any failure of either of the Constituent Corporations to comply with any of its obligations, agreements or conditions herein contained may be waived in writing by the other Constituent Corporation. In the event that either of the Constituent Corporations shall have been put on notice at least five days before the Filing Date of the failure or apparent failure of the other Constituent Corporation to comply with any of its obligations, agreements or conditions herein contained, such Constituent Corporation shall, at least five days before the Filing Date, notify such other Constituent Corporation of such failure and (if such be the case) its intention to rely thereon as a basis for not consummating the merger.

ARTICLE XVI. *Inspection.* From the date hereof to the Effective Date, GAF and Ruberoid, respectively, shall provide each other with such information and permit their respective officers and representatives such access to properties as either of them may from time to time reasonably require, provided, however, that neither party shall have access to the formulae, secret know-how and scientific research data of the other. If the merger is not consummated, all documents shall be returned to the party furnishing the same, and all information obtained pursuant to this paragraph shall be treated as confidential.

ARTICLE XVII. *Expenses.* The Surviving Corporation shall pay all expenses of carrying this Agreement into effect and of accomplishing the merger, including amounts, if any, to which stockholders who may dissent may be entitled by reason of the merger; provided, however, that in the event the merger shall not become effective for any reason, each of the parties hereto shall pay the fees and expenses of its respective counsel, accountants and financial advisers, but all other expenses incident to the negotiation and the preparation of this Agreement shall be divided equally between GAF and Ruberoid.

ARTICLE XVIII. *General.*

(a) *Brokerage.* GAF and Ruberoid each represents to the other that it has not incurred any liability for brokerage fees or commissions in connection with this Agreement or the merger.

(b) *Certificates as to Votes and Dissents.* Prior to the Filing Date of the merger, GAF and Ruberoid shall each deliver to the other a certificate of its Secretary or an Assistant Secretary setting forth:

(1) The number of shares of stock outstanding and entitled to vote on the approval of this Agreement and the number of shares voted in favor of the approval of this Agreement and the number of shares voted against the approval of this Agreement; and

(2) The number of stockholders not voting in favor of this Agreement, as of the date of said certificate, who have duly objected to the merger as contemplated by Article XII(f), and the number of shares of record held by each such stockholder.

(c) *Execution in Counterparts.* For the convenience of the parties and to facilitate filing, this Agreement may be executed in one or more counterparts, each of which shall be deemed an original instrument, but all such counterparts together shall constitute but one agreement.

(d) *Notices.* All notices which are required or may be given pursuant to this Agreement shall be sufficient in all respects if given in writing and delivered personally or by registered or certified mail, postage prepaid, as follows:

If to GAF:

To: Jesse Werner, Chairman and President
General Aniline & Film Corporation
140 West 51st Street
New York, N.Y. 10020

Copy to: Winthrop, Stimson, Putnam & Roberts
30 Rockefeller Plaza
New York, N.Y. 10020

If to Ruberoid:

To: E. J. O'Leary, Chairman and President
The Ruberoid Co.
733 Third Avenue
New York, N.Y. 10017

Copy to: Austin, Burns, Smith & Walls
535 Fifth Avenue
New York, N.Y. 10017

IN WITNESS WHEREOF, this Agreement has been signed by at least a majority of the Board of Directors of each of the Constituent Corporations, and each of the Constituent Corporations has caused its corporate seal to be hereunto affixed and attested by the signature of its Secretary or Assistant Secretary, all as of the date first above written.

DIRECTORS OF GENERAL ANILINE & FILM CORPORATION:

Jesse Werner

....
Jesse Werner

....
T. Roland Berner

....
John B. Bridgwood

John A. Coleman

....
John A. Coleman

Philip B. Dalton

....
Philip B. Dalton

Francis A. Gibbons

....
Francis A. Gibbons

....
Oveta Culp Hobby

....
Bailey K. Howard

Maurice Lazarus

....
Maurice Lazarus

....
Mathew Manes

Wm. Peyton Marin

....
Wm. Peyton Marin

Donald L. Sanders

....
Donald L. Sanders

Chris C. Schulze

....
Chris C. Schulze

....
Sumner H. Williams

Alvin Zises

....
Alvin Zises

ATTEST:

....
Secretary

DIRECTORS OF THE RUBEROID CO.:

Archie E. Albright

Thomas H. Dermody

Elmer N. Funkhouser, Jr.

Harry C. Hachmeister

Gavin K. MacBain

Seymour Milstein

E. J. O'Leary

Lyle L. Shepard

Frederick K. Sweeney

Barton K. Wickstrum

Samuel H. Wolcott, Jr.

ATTEST:

Secretary

I, C. JOSEPH HYLAND, Secretary of GENERAL ANILINE & FILM CORPORATION, a corporation organized and existing under the laws of the State of Delaware, hereby certify, as such Secretary and under the seal of the said corporation, that the Agreement of Merger to which this certificate is attached, after having been first duly signed on behalf of the said corporation, as required by the General Corporation Law of Delaware, by a majority of the directors of said corporation, and by The Ruberoid Co., a corporation of the State of New Jersey, was duly submitted to the stockholders of General Aniline & Film Corporation at a special meeting of said stockholders called and held separately from the meeting of stockholders of any other corporation after at least twenty days' notice by mail and notice by publication as provided by Section 251 of Title 8 of the Delaware Code of 1953, on the 26th day of May, 1967, for the purpose of considering and taking action upon the proposed Agreement of Merger; and that Thirteen Million, Three Hundred Forty-two Thousand sixty and one-half (13,342,060.5) shares of stock of said corporation were on said date issued and outstanding; that the holders of Nine Million, Seven Hundred Twenty-Eight Thousand, Se Hundred Thirty-two (9,728,732) shares voted by ballot in person or by proxy in favor of the adoption, and the holders of Two Thousand Eighty-Seven, Eight Hundred Twenty-Eight (87,828) shares voted by ballot in person or by proxy against the adoption, of the proposed Agreement of Merger, the said affirmative vote representing at least two-thirds of the total number of shares of the outstanding capital stock of said corporation; and that thereby the Agreement of Merger was at said meeting duly adopted as the act of the stockholders of General Aniline & Film Corporation and the duly adopted agreeme of said corporation.

WITNESS my hand and the seal of said General Aniline & Film Corporation this 26th day of May, 1967.

C. J. Hyland

Secretary

The foregoing Agreement of Merger, having been executed by a majority of the Board of Directors of General Aniline & Film Corporation, a corporation of the State of Delaware, and having been adopted separately by the stockholders of said General Aniline & Film Corporation, in accordance with the provisions of the General Corporation Law of the State of Delaware, and that fact having been certified on said Agreement of Merger by the Secretary of said corporation, and having been adopted by The Ruberoid Co., a corporation of the State of New Jersey, in the manner prescribed by the provisions of Title 14 of the Revised Statutes of the State of New Jersey, the President and Secretary of each of the corporations parties to the Agreement do now hereby execute this Agreement of Merger under its corporate seal by the authori of the directors and stockholders of General Aniline & Film Corporation and the stockholders of The Ruberoid Co., as the act, deed and agreement of each of said corporations on this 26th day of May, 1967.

GENERAL ANILINE & FILM CORPORATION

By ______________________
President

____
Secretary

Attest:

____
Secretary

THE RUBEROID CO.

By ______________________
President

____
Secretary

Attest:

____
Secretary

STATE OF NEW YORK)
: SS.:
COUNTY OF NEW YORK)

BE IT REMEMBERED that on this 26th day of May, A.D. 1967, personally came before me Violet R. Roncace a Notary Public in and for the County and State aforesaid, JESSE WERNER, President of GENERAL ANILINE & FILM CORPORATION, a corporation of the State of Delaware and one of the corporations described in and which executed the foregoing Agreement of Merger, known to me personally to be such, and he, the said Jesse Werner, as such President, duly executed said Agreement of Merger before me and acknowledged said Agreement of Merger to be the act, deed and agreement of said General Aniline & Film Corporation, that the signatures of the said President and the Secretary of said corporation to the said Agreement of Merger are in the handwriting of said President and Secretary of said General Aniline & Film Corporation, and that the seal affixed to said Agreement of Merger is the common or corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office the day and year aforesaid.

Violet R. Roncace
Notary Public

VIOLET R. RONCACE
Notary Public, State of New York
No. 03-8632200
Qualified in Bronx County
Commission Expires March 30, 1968