Peter T. Gregg
Senior Counsel
Environmental

elpaso

April 8, 2003

Ms. Kedari Reddy, Assistant Regional Counsel
Office of Regional Counsel – Region II
U.S. Environmental Protection Agency
290 Broadway – 17th Floor
New York, New York 10007-1866

RE: USEPA Request for Information

Dear Ms. Reddy:

I am writing on behalf of El Paso Tennessee Pipeline Company, formerly known as Tenneco Inc., in response to your letter dated February 27, 2003, directed to a former affiliate of Tenneco Inc. located in Lake Forest, Illinois. Please note the proper address for El Paso Tennessee Pipeline Company (formerly known as Tenneco Inc.) (hereinafter "EPTP" or "Respondent") is: P.O. Box 2511, Houston, Texas 77252-2511 or for express deliveries, 1001 Louisiana Street, Houston, Texas 77002.

El Paso Tennessee Pipeline Company received your letter on March 11, 2003 and responds as follows.

OBJECTIONS

1. EPTP objects to EPA's Request to the extent it calls for information protected by the attorney/client privilege, attorney work product doctrine or any other applicable legal privileges.

2. EPTP objects to the Instructions to the extent they purport to require EPTP to obtain information from persons or places beyond EPTP's custody or control, such as former employees/agents.

3. By responding to this Request, EPTP does not admit EPA's authority to issue such request, nor shall EPTP's decision to respond be considered an admission of liability for any purpose.

GENERAL RESPONSE

The Facility that is the subject of the February 27, 2003 Request for Information is identified as "Tenneco Chemicals Inc., 374 Main St., Belleville, NJ." Please be advised that this facility was acquired by Tenneco Chemicals Inc. in 1965. To the best of EPTP's knowledge, the operations conducted at the Facility were related to pigments for printing inks. There may have been a laboratory at this location. The Facility was sold

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El Paso Corporation
1001 Louisiana Street Houston, Texas 77002
PO Box 2511 Houston, Texas 77252.2511
tel 713.420.4518 fax 713.420.7011

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by Tenneco Chemicals, Inc. in approximately 1973. Tenneco Chemicals, Inc. was dissolved in 1985 and no longer exists for any purposes.

In response to the February 27, 2003 Request for Information EPTP conducted a search of its record archives for any information pertaining to the Facility. Unfortunately, due to the sale of the facility in the early 1970s and the dissolution of former owner Tenneco Chemicals, Inc. in the mid-1980s, EPTP was unable to locate any information about the operation of the Facility. In all likelihood any documents pertaining to this Facility remained at the Facility after it was sold in 1973 or were disposed upon the dissolution of its former owner Tenneco Chemicals, Inc. in 1985. EPTP submits the following responses to the specific questions, and will supplement this response if it locates any additional information about the Facility.

SPECIFIC RESPONSES

1. How long has your company operated at the facility? If your company no longer operates at this facility, during what years did your company operate at the facility?

EPTP has never operated the facility located at 374 Main St., Belleville, NJ (hereinafter "Facility"). A company named "Tenneco Chemicals, Inc." which was formerly affiliated with some of EPTP's current or former subsidiaries, operated this Facility from approximately 1965 to 1973.

EPTP has identified no information responsive to the following Requests: 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12.

13. a) Has your company owned the facility at the location designated above? If so, from whom did your company purchase the property and in what year? If your company subsequently sold the property, to whom did your company sell it and in what year? Please provide copies of any deeds and documents of sale.

EPTP has never owned the Facility. Tenneco Chemicals, Inc. owned the facility from 1965, when Tennessee Gas Transmission Company acquired the stock of New York Color and Chemical Corporation until 1973, when the Facility was sold to an unknown purchaser. *See* excerpt of Minutes of Tenneco Chemicals, Inc. enclosed. To the extent responsive information, including deeds and documents of sale, may be available in public records, these documents are equally available to the United States as to EPTP and EPTP objects to a demand for production of these documents, if any exist.

b) If your company did not own the facility, from whom did your company rent the facility and for what years? Please provide copies of any rental agreements.

Not applicable.

c) To the extent that you know, please provide the names of all parties who owned or operated the facility during the period from 1940 through the present. Describe the relationship, if any, of each of those parties with your company.

EPTP has never owned the Facility. Tenneco Chemicals, Inc. owned the facility from 1965, when the stock of New York Color and Chemical Corporation was acquired until 1973, when the Facility was sold to an unknown purchaser. *See* excerpt of Minutes of Tenneco Chemicals, Inc. enclosed. To the extent responsive information, including deeds and documents of sale, may be available in public records, these documents are equally available to the United States as to EPTP and EPTP objects to a demand for production of these documents, if any exist.

14. Answer the following questions regarding your business or company. In identifying a company that no longer exists, provide all the information requested, except for the agent for service of process. If your company did business under more than one name, list each name.

Respondent objects to this question as overbroad and harassing. EPTP is and has been a holding company with numerous subsidiaries and affiliates with no relationship with the Facility in question. Respondent will answer this question with respect to itself and, to the extent it possesses information about Tenneco Chemicals, Inc., with respect to that now-dissolved entity only. If this response is not sufficient, please contact the undersigned to discuss reasonable scope of information about other related corporate entities.

Subject to and without waiving these objections, the following are responses for EPTP:

a) State the legal name of your company.

El Paso Tennessee Pipeline Company. This company was formerly known as Tenneco Inc.

b) State the name and address of the president or chairman of the board, or other presiding officers of your company.

Respondent objects to this question as vague and confusing as the term "presiding officers" is undefined.

Subject to and without waiving this objection, EPTP has numerous officers. The following are current officers of EPTP at the level of Executive Vice President and above:

Ronald L. Kuehn, Jr.	Chairman of the Board and Chief Executive Officer
H. Brent Austin	President and Chief Operating Officer
Peggy A. Heeg	Executive Vice President, Law

D. Dwight Scott	Executive Vice President and Chief Financial Officer
David E. Zerhusen	Executive Vice President

The address for all individuals is: 1001 Louisiana Street, Houston, TX 77002.

c) State the number of people employed by your company.

None

d) Identify the state of incorporation of your company and your company's agent for service of process in the state of incorporation and in New Jersey.

Delaware. Agent for service of process in Delaware and New Jersey is CT Corporation System.

e) Provide a copy of your company's "Certificate of Incorporation" and any amendments thereto.

See enclosed Certificate of Incorporation of Tenneco Holdings, Inc.

f) If your company is a subsidiary or affiliate of another company, or has subsidiaries, or is a successor to another company, identify these related companies. For each related company, describe the relationship to your company; indicate the date and manner in which each relationship was established.

Respondent objects to this question as overbroad and unduly burdensome, beyond the scope of the United States' information gathering authority under CERCLA.

Subject to and without waiving this objection, EPTP is and has been a holding company with numerous subsidiaries and affiliates in diverse industries, most of which have no relationship with the Facility in question. EPTP was incorporated in 1987 as Tenneco Holdings, Inc., and its name was changed to Tenneco Inc. Tenneco Inc. was a publicly traded company at this time with no single parent company. Tenneco Inc. had numerous subsidiaries from 1987 until its acquisition by El Paso Natural Gas Company in 1996, at which time various subsidiaries in the ship building, industrial manufacturing and automotive business were "spun off" and its name was changed to EPTP. Since 1996, EPTP has been a subsidiary of El Paso Natural Gas Company and, subsequently, El Paso Corporation. Tennessee Gas Pipeline Company has been a subsidiary of EPTP since EPTP's incorporation in 1987. EPEC Polymers, Inc., formerly known as Tenneco Polymers, Inc. was a subsidiary of EPTP from EPTP's incorporation in 1987 until approximately 2000 when EPEC Polymers, Inc. became a subsidiary of EPTP's parent company El Paso Corporation.

g) Identify any predecessor organization and the dates that such company became part of your company.

Respondent objects to this question as overbroad and unduly burdensome, beyond the scope of the United States' information gathering authority under CERCLA.

Subject to and without waiving this objection, see response to (f) above.

h) Identify any other companies which were acquired by your company or merged with your company.

Respondent objects to this question as overbroad and unduly burdensome, beyond the scope of the United States' information gathering authority under CERCLA.

Subject to and without waiving this objection, see response to (f) above.

i) Identify the date of incorporation, state of incorporation, agents for service of process in the state of incorporation and New Jersey, and nature of business activity for each company identified in the responses to items (14)(e), (f), and (g), above.

Respondent objects to this question as overbroad and unduly burdensome, beyond the scope of the United States' information gathering authority under CERCLA.

Subject to and without waiving this objection, see the following:

EPEC Polymers, Inc. was incorporated in 1982 in Delaware.
Tennessee Gas Pipeline Company was incorporated in 1947 in Delaware.
El Paso Natural Gas Company was incorporated in 1928 in Delaware.
El Paso Corporation was incorporated in 1998 in Delaware.
Tenneco Chemicals, Inc. was incorporated in 1963 in Delaware.

See enclosed Certificate of Incorporation for EPEC Polymers, Inc.; Tennessee Gas Pipeline Company; El Paso Natural Gas Company; and El Paso Corporation

j) Identify all previous owners or parent companies, address(es), and the date change in ownership occurred.

Respondent objects to this question as overbroad and unduly burdensome, beyond the scope of the United States' information gathering authority under CERCLA.

Subject to and without waiving this objection, see response to (f) above.

Subject to and without waiving these objections, the following are responses for Tenneco Chemicals, Inc.

a) State the legal name of your company.

This company no longer exists. At the time of its dissolution, its legal name was Tenneco Resins, Inc. See attached Certificate of Dissolution of Tenneco Resins, Inc. It was formerly known as HDN Corporation, subsequently known as Heyden Newport Chemical Corporation, and subsequent to that known as Tenneco Chemicals, Inc.

b) State the name and address of the president or chairman of the board, or other presiding officers of your company.

Respondent objects to this question as vague and confusing as the term "presiding officers" is undefined.

Subject to and without waiving this objection, this company no longer exists. At the time of its dissolution the officers of Tenneco Resins, Inc. were: H. R. Bowers, President and Director; G. E. Disch, Director; C. R. Dodds, V.P. Ass't Secretary and Director; O. K. Jones III, Treasurer; Karl A. Stewart, Secretary; John E. Easton, Ass't Secretary; James D. Gaughan, Ass't Secretary; Kenneth Whitmire, Ass't Secretary.

c) State the number of people employed by your company.

This company no longer exists. There are no employees at this time.

d) Identify the state of incorporation of your company and your company's agent for service of process in the state of incorporation and in New Jersey.

Tenneco Chemicals, Inc. was incorporated as HDN Corporation in Delaware. It has no agent for service of process as it is dissolved.

e) Provide a copy of your company's "Certificate of Incorporation" and any amendments thereto.

See attached Certificate of Incorporation of HDN Corporation.

f) If your company is a subsidiary or affiliate of another company, or has subsidiaries, or is a successor to another company, identify these related companies. For each related company, describe the relationship to your company; indicate the date and manner in which each relationship was established.

Respondent objects to this question as overbroad and unduly burdensome, beyond the scope of the United States' information gathering authority under CERCLA.

Subject to and without waiving this objection, Tenneco Chemicals, Inc. was incorporated as HDN Corporation in 1963. Tenneco Chemicals, Inc. was a subsidiary of Tennessee Gas Transmission Company, later known as Tenneco Inc., now known as Tennessee Gas Pipeline Company from 1963 until 1982. After 1982 and to its dissolution in 1985, Tenneco Chemicals, Inc. (later known as Tenneco Resins, Inc.) was a subsidiary of Tenneco Polymers, Inc., now known as EPEC Polymers, Inc. Tenneco Chemicals, Inc. had various subsidiaries during its life. Relevant to the Facility in question, Tenneco Chemicals, Inc. acquired New York Color and Chemical in 1965, which was subsequently merged into it in 1966.

g) Identify any predecessor organization and the dates that such company became part of your company.

Respondent objects to this question as overbroad and unduly burdensome, beyond the scope of the United States' information gathering authority under CERCLA.

Subject to and without waiving this objection, see response to (f) above.

h) Identify any other companies which were acquired by your company or merged with your company.

Respondent objects to this question as overbroad and unduly burdensome, beyond the scope of the United States' information gathering authority under CERCLA.

Subject to and without waiving this objection, see response to (f) above.

i) Identify the date of incorporation, state of incorporation, agents for service of process in the state of incorporation and New Jersey, and nature of business activity for each company identified in the responses to items (14)(e), (f), and (g), above.

Respondent objects to this question as overbroad and unduly burdensome, beyond the scope of the United States' information gathering authority under CERCLA.

j) Identify all previous owners or parent companies, address(es), and the date change in ownership occurred.

Respondent objects to this question as overbroad and unduly burdensome, beyond the scope of the United States' information gathering authority under CERCLA.

Subject to and without waiving this objection, see response to (f) above.

15. Provide the name, address, telephone number, title and occupation of the person(s) answering this "Request for Information" and state whether such

person(s) has personal knowledge of the responses. In addition, identify each person who assisted in any way in responding to the "Request for Information" and specify the question to which each person assisted in responding. Please include the names and addresses of former employees who were contacted to respond to any of the questions.

Respondent objects to the extent this calls for protected attorney work product or attorney-client communication. Respondent further objects to this question as burdensome and harassing and beyond the scope of the United States' information gathering authority under CERCLA.

Subject to and without waiving this objection, the following persons assisted in gathering the information necessary to respond to this Request for Information. Because the events and corporate transactions in question generally date to the 1960s and at the latest 1980s, these individuals do not have personal knowledge of Tenneco Chemicals, Inc.'s ownership or operation of the Facility.

The person answering this Request for Information is:

Peter Gregg
Senior Counsel
1001 Lousiana Street
Houston, TX 77002
(713) 420-4518

The persons assisting were:

Kimberly Lesniak, Associate General Counsel
Margaret Roark, Assistant Corporate Secretary
Helen Young, Record Custodian
Ernestine Baucham, Record Custodian
Kathy Gentry, Legal Assistant
Roger Towe, Environmental

Please give me a call if you have any questions relating to this response. Otherwise, we will provide any additional response information if it becomes available.

Sincerely,

Peter T. Gregg

CERTIFICATION OF ANSWERS TO REQUEST FOR INFORMATION

State of Texas:

County of Harris:

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document (response to EPA Request for Information) and all documents submitted herewith, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate, and complete, and that all documents submitted herewith are complete and authentic unless otherwise indicated. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. I am also aware that my company is under a continuing obligation to supplement its response to EPA's Request for Information if any additional information relevant to the matters addressed in EPA's Request for Information or the company's response thereto should become known or available to the company.

Peter Gregg
NAME (print or type)

Senior Counsel
TITLE (print or type)

SIGNATURE

Sworn to before me this 8th day of April 2003

Janice Spencer
Notary Public Signature

JANICE SPENCER
Notary Public, State of Texas
My Commission Expires
May 24, 2006

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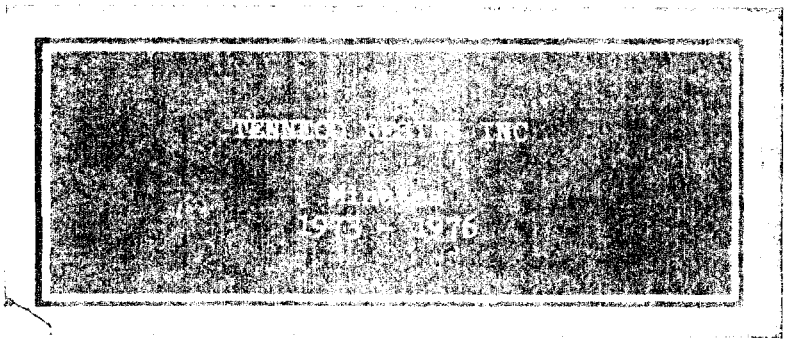
Applies to
13(a)& (b)

EPEC File 310



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TENNECO CHEMICALS, INC.
Park 80 Plaza West-One
Saddle Brook, New Jersey 07662

February 6, 1973

TO THE DIRECTORS:

Please be advised that the next regular meeting of the Board of Directors will be held on Wednesday, February 21, 1973 at 9:00 a.m., E.S.T. in the offices of Tenneco Chemicals, Inc., Saddle Brook, New Jersey.

George S. Flint
Secretary

Messrs. S. Askin
S. T. Ellis
N. W. Freeman
M. J. C. Hutton-Wilson
J. L. Ketelsen
R. E. McGee
R. H. Marks
W. E. Scott
W. D. Walser

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A meeting of the Board of Directors of TENNECO CHEMICALS, INC. was held at the offices of the Corporation, Park 80 Plaza West-1, Saddle Brook, New Jersey 07662 on Wednesday, February 21, 1973 at 9:00 a.m., E.S.T.

PRESENT: Messrs. S. Askin
S. T. Ellis
N. W. Freeman
J. L. Ketelsen
R. H. Marks
R. E. McGee
W. E. Scott
W. D. Walser

Mr. Ellis, Chairman of the Board, presided and Mr. Flint, Secretary of the Corporation acted as Secretary of the meeting.

The reading of the minutes of the meeting of the Board held on November 14, 1972 and of the Special Board Meeting which was held in Houston on December 29, 1972 was dispensed with by unanimous action of the members present. Those minutes, copies of which had been previously distributed to each member of the Board, were approved.

The Chairman stated that it was in order to declare a dividend for the current quarter. Thereupon, on motion duly made and seconded, it was unanimously

> RESOLVED, that there be and there hereby is set aside from the surplus of the Corporation a dividend of $3,435 per share on the 200 shares of the $5 par value Common Stock of the Corporation now issued and outstanding, such dividend to be payable on or before March 9, 1973 to the stockholder of record at the close of business on February 21, 1973; and further
>
> RESOLVED, that the Assistant Treasurer is authorized and directed to cause such dividend to be paid when due.

The President presented the following appropriations which, after discussion, were unanimously authorized:

Intermediates - Pasadena, Texas

$190,000 Water Pollution Abatement Facilities

Intermediates - Pasadena, Texas

$305,000 Replace Ammonia Plant Heat Exchangers

Foam & Plastics - Nixon, New Jersey

$240,000 No. 6 Calender Improvements

Intermediates - Pasadena, Texas

$500,000* New PVC Homopolymer Plant, 240MM lbs/yr.

* Initial approval for engineering study

TOTAL ESTIMATE:	$22,269,000	New Capital
Plus	160,000	Transferred Assets
TOTAL PROJECT:	$22,429,000	

The Secretary recommended that the Board approve the appointment of three corporate staff members, Messrs. Joseph P. Lamb, Harry O. Ireland and John J. Dunican together with the Director of Industrial Relations for the applicable Division as members of the Pension Committees under the various hourly pension plans of Tenneco Chemicals, Inc. Thereupon, on motion duly made and seconded, Messrs. Joseph P. Lamb, Harry O. Ireland and John J. Dunican together with the Director of Industrial Relations for the applicable Division were appointed as members of the Pension Committees under the various hourly pension plans of Tenneco Chemicals, Inc.

The Secretary recommended that the Board approve certain resolutions amending three Articles of the Tenneco Inc. Thrift Plan as previously adopted by Tenneco Chemicals, Inc. Thereupon, on motion duly made and seconded, the following resolutions were unanimously adopted:

WHEREAS, upon being designated by Tenneco Inc. as an Associated Company eligible to adopt certain of its benefit plans, the Company adopted the Tenneco Inc. Thrift Plan for the benefit of its eligible employees; and

WHEREAS, it is the desire and intent of the Company to amend said Thrift Plan, effective as of January 1, 1973;

NOW, THEREFORE, BE IT AND IT HEREBY IS

RESOLVED, that effective as of January 1, 1973, the Tenneco Inc. Thrift Plan as adopted by the Company is hereby amended in accordance with the instrument entitled "AMENDMENT TO THE TENNECO INC. THRIFT PLAN AS ADOPTED BY TENNECO CHEMICALS, INC. EFFECTIVE JANUARY 1, 1973," which is presently before this Board of Directors, in order (i) to provide procedures and preserve benefits for participants who transfer between Tenneco Inc. and its Associated and Affiliated Companies; (ii) to change the conditions upon which a participant may withdraw from his account his own contributions and his entire credit balance; and (iii) to include the distribution of nontransferable annuity contracts as a settlement option; and it is further

RESOLVED, that the officers of this Company are authorized to take such action and do such things as they deem necessary in order to accomplish the purpose and intent of the foregoing resolution.

The President advised that certain authorizing resolutions were necessary with regard to the sale of our plant in Belleville, New Jersey. This disposition is necessitated by the shut-down of the plant and has been approved by Mr. McGee under the Tenneco Inc. real property disposal program. After discussion, and on motion duly made and seconded, it was unanimously

RESOLVED, that the sale and conveyance of the Corporation's plant and real property located at 374 Main Street, Belleville, New Jersey 07109 for the consideration of Four Hundred Two Thousand Five Hundred Dollars ($402,500) is hereby ratified, confirmed and approved, and it is further

RESOLVED, that the actions of the President and other officers of the Corporation in executing and delivering on behalf of the Corporation a deed and all other documents and instruments relating to said sale are hereby ratified, confirmed and approved.

The Secretary reported that our Industrial Security Office for this area has requested a more specific resolution covering the exclusion of certain Directors from access to classified information. Thereupon, on motion duly made and seconded, the following resolutions were unanimously adopted:

WHEREAS, the Industrial Security Manual for Safeguarding Classified Information issued by the Department of Defense established procedures for granting security clearances to private contractors' facilities where access to classified information is required for contractual or other purposes, and said Security Manual is applicable to this corporation; and

WHEREAS, said Security Manual requires personnel security clearances for all principal officers of this corporation, and for those of its other officers and of its directors who will have access to classified information in the conduct of the corporate business:

BE IT RESOLVED AND AFFIRMED, in conformity with said Security Manual that the following named officers and directors of this corporation shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of this corporation, and do not occupy positions that would enable them to affect adversely this corporation's policies or practices in the performance of classified contracts for the Department of Defense or the User Agencies of its Industrial Security Program.

M. J. C. Hutton-Wilson	Director
James Lee Ketelsen	Director
Fred Buff	Vice President
Joseph Fath	Vice President
Joseph P. Lamb	Vice President
H. E. O'Connell	Vice President
Alfred Schoen	Vice President

The President reported to the Board on current operations and projects and a general discussion followed.

It was agreed that the next regular meeting of the Board would be held in Houston on Tuesday, May 22, 1973 at 10:00 a.m., C.S.T.

There being no further business the meeting was, upon motion duly made and seconded, adjourned.

Secretary

Applies to 14(a)

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FILED

AUG 26 1985

CERTIFICATE OF DISSOLUTION

OF

TENNECO RESINS, INC.

Adopted in accordance with the provisions of Section 275 of the General Corporation Law of the State of Delaware

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TENNECO RESINS, INC., a Delaware corporation (the "Company"), DOES HEREBY CERTIFY:

FIRST: That, under its former name of Tenneco Chemicals, Inc., on April 18, 1981, the Company sold certain assets of its Vinyl Calendering business, including its Bound Brook, New Jersey plant, to Nobel Plastics, Inc.; on September 21, 1981, the Company sold its Foam Division and certain assets, including its plants at Hazelton, Pennsylvania, East Rutherford, New Jersey, Carlstadt, New Jersey, and Bridgeview, Illinois to G.F.C. Foam Corporation; on October 18, 1982, the Company sold certain assets of its Vinyl Calendering business, including its Newton Upper Falls, Massachusetts plant, to a subsidiary of O'Sullivan Corporation; on November 30, 1982, the Company sold certain assets, including its Paper Chemicals Division, to ERCO Industries Ltd.; on December 1, 1982, the Company sold certain assets of its Organic and Fine Chemicals business, including its Garfield, New Jersey plant, to Kalama Chemical, Inc.; on December 15, 1982, the Company conveyed certain assets of its Polymers and Methanol businesses, including its Flemington and Burlington, New Jersey plants and its Pasadena, Texas plant, to Tenneco Polymers, Inc.; on December 15, 1982, the Company conveyed certain assets, including its leases of plant premises in East Rutherford, Rockaway, and Moonachie, New Jersey, and Newton Upper Falls,

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Massachusetts and its Fords, New Jersey surplus land, to Tenneco Eastern Realty, Inc.; on December 22, 1982, the Company sold certain assets of its Chemical Specialties and Rigid Vinyl Calendaring businesses, including its plants in Elizabeth, Piscataway, Fords, and Nixon, New Jersey, Chestertown, Maryland, Lockland, Ohio, Bramalea, Ontario, and Maastricht, Holland, to Nuodex Inc.; on February 25, 1983, the Company, in conjunction with Tenneco Eastern Realty, Inc., sold all their interests relating to separations technology assets, including COSORB®, ESEP®, and LOSEP® processes, to Mediterranean Engineering Ltd.; on March 14, 1983, the name of the Company was changed from Tenneco Chemicals, Inc. to Tenneco Resins, Inc.; and, subsequently, the Board of Directors of the Company unanimously adopted, by a written consent given in accordance with the provisions of Section 141(f) of the General Corporation Law of the State of Delaware, resolutions proposing and declaring it advisable that the Company be dissolved.

SECOND: The dissolution of the Company has been consented to and authorized at a meeting duly convened and held by the holder of all of the outstanding stock of the Company.

THIRD: The names and residence addresses of the officers and directors of the Company are as follows:

Name	Office(s)	Residence Address
H. H. Bowers	President and Director	2203 Briarmead Houston, TX 77057
C. E. Disch	Director	9718 Stockport Spring, TX 77373
C. R. Dodds	Vice President, Assistant Secretary and Director	14702 Cindywood Houston, TX 77079
[illegible] Jones III	Treasurer	610 Magic Oaks Drive Spring, TX 77373

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Name	Office(s)	Residence Address
Karl A. Stewart	Secretary	6242 Burgoyne Houston, TX 77057
John E. Easton	Assistant Secretary	46 Williamsburg Lane Houston, TX 77024
James D. Gaughan	Assistant Secretary	7723 Poitiers Dr. Houston, TX 77071
Kenneth Whitmire	Assistant Secretary	6219 Golden Forest Houston, TX 77092

IN WITNESS WHEREOF, said TENNECO RESINS, INC., has caused its corporate seal to be hereunto affixed and this Certificate to be signed by D. R. Dodds, its Vice President, and Karl A. Stewart, its Secretary, this 3rd day of August, 1985.

TENNECO RESINS, INC.

Vice President

ATTEST:

Secretary

847670019

10-7-87

Applies to
14(d)

CERTIFICATE OF INCORPORATION
OF
TENNECO HOLDINGS, INC.

* * * * *

FIRST: The name of the corporation is Tenneco Holdings, Inc.

SECOND: The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of all classes of stock which the corporation shall be authorized to issue is 415,000,000 shares, divided into 15,000,000 shares of Preferred Stock, without par value (herein called "Preferred Stock"), 50,000,000 shares of Junior Preferred Stock, without par value (herein called "Junior Preferred Stock"), and 350,000,000 shares of Common Stock, of the par value of $5 per share (herein called "Common Stock").

The following is a statement of the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of the classes of stock of the corporation.

I.

1. The Preferred Stock may be issued in one or more series. The designations, preferences and relative, participating, optional, or other special rights, and the qualifications, limitations or restrictions thereof, of the Preferred Stock of each series shall be such as are stated and expressed herein and, to the extent not stated and expressed herein, shall be such as may be fixed by the Board of Directors (authority so to do being hereby expressly granted) and stated and expressed in a resolution or resolutions adopted by the Board of Directors providing for the issue of Preferred Stock of such series. Such resolution or resolutions shall (a) specify the series to which such Preferred Stock shall belong, (b) fix the dividend rate therefor, (c) fix the amount which the holders of the Preferred Stock of such series shall be entitled to be paid in the event of a voluntary or involuntary liquidation, dissolution or winding up of the corporation, provided that such amount in the event of an involuntary liquidation shall not exceed $100 per share, (d) state whether or not the Preferred Stock of such series shall be redeemable and at what times and under what conditions and the amount or amounts payable thereon in the event of redemption; and may, in a manner not inconsistent with the provisions of this Article FOURTH, (i) limit the number of shares of such series which may be issued, (ii) provide for a sinking fund for the purchase or redemption, or a purchase fund for the purchase, of shares of such series and the terms and provisions governing the operation of any such fund and the status as to reissuance of shares of Preferred Stock purchased or otherwise reacquired or redeemed or retired through the operation thereof, and that so long as the corporation is in default as to such sinking or purchase fund the corporation shall not (with such exceptions, if any, as may be provided) pay any dividends upon or purchase or redeem shares of capital stock ranking junior to the Preferred Stock with respect to dividends or distributions of assets upon liquidation (referred to in this Part I of Article FOURTH as "stock ranking junior to the Preferred Stock"), (iii) grant voting rights to the holders of shares of such series in addition to and not inconsistent with those granted by this Part I of Article FOURTH to the holders of Preferred Stock, and in the absence of such grant the holders of such series of Preferred Stock shall have no such additional voting rights, (iv) impose conditions or restrictions upon the creation of indebtedness of the corporation or upon the issue of

additional Preferred Stock or other capital stock ranking on a parity therewith or prior thereto with respect to dividends or distribution of assets upon liquidation, (v) impose conditions or restrictions upon the payment of dividends upon, or the making of other distributions to, or the acquisition of, stock ranking junior to the Preferred Stock, (vi) grant to the holders of the Preferred Stock of such series the right to convert such stock into shares of stock ranking junior to the Preferred Stock, and (vii) grant such other special rights to the holders of shares of such series as the Board of Directors may determine and as shall not be inconsistent with the provisions of this Article FOURTH. The term "fixed for such series" and similar terms as used in this Part I of Article FOURTH shall mean stated and expressed in this Part I of Article FOURTH or in a resolution or resolutions adopted by the Board of Directors providing for the issue of Preferred Stock of the series referred to therein.

2. The holders of the Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available therefor, cumulative preferential dividends in cash, at the rate per annum fixed for such series, and no more, payable quarter-yearly on the last days of March, June, September and December in each year to the stockholders of record on a date, not exceeding fifty days preceding each such dividend payment date, fixed for the purpose by the Board of Directors in advance of payment of each particular dividend. Dividends on shares of the Preferred Stock shall accrue from the date of issuance, or from such other date or dates as may be fixed by the Board of Directors for any series, and shall be cumulative. Each share of Preferred Stock shall rank on a parity with each other share of Preferred Stock, irrespective of series, with respect to preferential dividends at the respective rates fixed for such series, and no dividend shall be declared or paid or set apart for payment for the Preferred Stock of any series unless at the same time a dividend in like proportion to the dividends accrued upon the Preferred Stock of each other series shall be declared or paid or set apart for payment, as the case may be, on Preferred Stock of each other series then outstanding.

3. So long as any shares of Preferred Stock shall remain outstanding, in no event shall any dividends whatsoever, whether in cash, stock, or otherwise, be paid or declared, or any distribution be made, on any class of stock ranking junior to the Preferred Stock, nor shall any shares of stock ranking junior to the Preferred Stock be purchased, retired or otherwise acquired for a valuable consideration by the corporation, unless all dividends on the Preferred Stock for all past quarter-yearly dividend periods shall have been paid, or declared and a sum sufficient for the payment thereof set apart, and the full dividend thereon for the then current quarter-yearly dividend period shall have been paid or declared.

4. The corporation at the option of the Board of Directors may redeem the Preferred Stock of any series which by its terms is redeemable, at the time or times and on the terms and conditions fixed for such series, upon notice duly given as hereinafter provided, by paying therefor in cash the sum fixed for such series, together, in each case, with an amount equal to accrued and unpaid dividends thereon. The term "accrued and unpaid dividends" as used in this Part I of Article FOURTH with respect to Preferred Stock of any series shall mean dividends on all outstanding shares of Preferred Stock of such series at the rate fixed for such series, from the date or dates from which such dividends accrued to the date as of which accrued and unpaid dividends are being determined, less the aggregate amount of all dividends theretofore declared and paid or set apart for payment upon such outstanding Preferred Stock.

At least thirty days' previous notice of any such redemption of Preferred Stock shall be mailed, addressed to the holders of record of the shares to be redeemed at their respective addresses as the same shall appear on the books of the corporation, and such notice may also be published in a newspaper printed in the English language and published daily for at least five days per calendar week (other than legal holidays) and of general circulation in the Borough of Manhattan, The City of New York, New York.

In case of the redemption of only part of the Preferred Stock of any series at the time outstanding, subject to the limitations and provisions herein contained, the shares to be redeemed may be selected pro rata, or by lot, or by such other equitable method as may be determined by the Board of Directors, and the Board of Directors shall have full power and authority to prescribe the manner in which the redemption shall be conducted.

If such notice of redemption shall have been duly given by publication as aforesaid at least thirty days prior to the redemption date, and if on or before the redemption date specified in such notice all funds

necessary for such redemption shall have been set aside by the corporation, separate and apart from its other funds, in trust for the pro rata benefit of the holders of the shares so called for redemption, so as to be and continue to be available therefor, then, notwithstanding that any certificate for shares of Preferred Stock so called for redemption shall not have been surrendered for cancellation, the shares represented thereby shall no longer be deemed outstanding, the right to receive dividends thereon shall cease to accrue from and after the date of redemption so designated and all rights with respect to such shares of Preferred Stock so called for redemption shall forthwith on such redemption date cease and terminate except only the right of the holders thereof to receive the redemption price of such shares so to be redeemed, but without interest thereon.

The corporation may, however, prior to the redemption date specified in the notice of redemption, deposit in trust for the account of the holders of the Preferred Stock to be redeemed, with a bank or trust company in good standing organized under the laws of the United States of America or of the State of New York, doing business in the Borough of Manhattan, The City of New York, having a capital, surplus and undivided profits aggregating at least $50,000,000, designated in such notice of redemption, all funds necessary for such redemption, together with irrevocable written instructions authorizing such bank or trust company, on behalf and at the expense of the corporation, to cause the notice of redemption to be duly mailed and, at the option of the corporation, the publication of such notice to be made as herein provided at least thirty days prior to the redemption date, and thereupon, notwithstanding that any certificate for shares of Preferred Stock so called for redemption shall not have been surrendered for cancellation, all shares of Preferred Stock with respect to which such deposit shall have been made shall no longer be deemed to be outstanding and all rights with respect to such shares of Preferred Stock shall forthwith upon such deposit in trust cease and terminate, except only the right of the holders thereof to receive from such bank or trust company, at any time after the time of such deposit, the redemption price of such shares so to be redeemed.

Any moneys so deposited by the corporation and unclaimed at the end of six months from the date fixed for such redemption shall be repaid to the corporation upon its request expressed in a resolution of its Board of Directors, after which repayment the holders of the shares so called for redemption shall look only to the corporation for payment thereof.

5. (A) So long as any shares of Preferred Stock are outstanding the corporation shall not, without the consent of the holders of at least two-thirds of the number of shares of Preferred Stock at the time outstanding, given in person or by proxy, either in writing or by vote at an annual meeting or a special meeting called for the purpose, amend, alter or repeal any of the provisions of this Article FOURTH (other than provisions relating exclusively to the shares of Preferred Stock of a particular series) so as to affect adversely the rights, powers or preferences of Preferred Stock or of the holders thereof; and so long as any shares of any particular series of Preferred Stock are outstanding the corporation shall not, without the consent of the holders of at least two-thirds of the number of shares of Preferred Stock of such series at the time outstanding, given in person or by proxy, either in writing or by a vote at an annual meeting or a special meeting called for the purpose, amend, alter or repeal any of the provisions of this Article FOURTH or of any resolution or resolutions relating exclusively to the shares of Preferred Stock of such series, so as to affect adversely the rights, powers or preferences of the Preferred Stock of such series or the holders thereof.

(B) So long as any shares of Preferred Stock are outstanding the corporation shall not, without the consent of the holders of at least a majority of the number of shares of Preferred Stock at the time outstanding, given in person or by proxy, either in writing or by vote at an annual meeting or a special meeting called for that purpose:

(a) create or authorize any class of stock ranking prior to the Preferred Stock in respect of dividends or distribution of assets on liquidation; or increase the authorized amount of any class of stock ranking prior to the Preferred Stock in respect of dividends or distribution of assets on liquidation; or create or authorize any obligation or security convertible into shares of stock of any class ranking prior to the Preferred Stock in respect of dividends or distribution of assets on liquidation; or

(b) sell, lease, transfer or convey all, or substantially all, of its property or business, or consolidate with or merge into any other corporation or corporations; *provided, however,* that this subparagraph shall not apply to any merger of another corporation into the corporation or to any mortgage, pledge or other hypothecation of property of the corporation.

(C) So long as any shares of Preferred Stock are outstanding the corporation shall not, without the consent of the holders of at least a majority of the number of shares of Preferred Stock at the time outstanding, given in person or by proxy, either in writing or by vote at an annual meeting or a special meeting called for the purpose:

(a) create or authorize any class of stock ranking on a parity with the Preferred Stock in respect of dividends or distribution of assets on liquidation; or

(b) increase the authorized amount of the Preferred Stock or of any class of stock ranking on a parity with the Preferred Stock in respect of dividends or distributions of assets on liquidation; or

(c) create or authorize any obligation or security convertible into shares of Preferred Stock or shares of stock of any class ranking on a parity with the Preferred Stock in respect of dividends or distribution of assets on liquidation.

(D) So long as any shares of Preferred Stock are outstanding the corporation shall not purchase, redeem or otherwise acquire for value any shares of Preferred Stock or of any other stock ranking on a parity with the Preferred Stock in respect of dividends or distribution of assets on liquidation during the continuance of any default in the payment of dividends on the Preferred Stock without the consent, given in person or by proxy or by vote at an annual meeting or at a special meeting called for that purpose, of the holders of at least a majority of the number of shares of Preferred Stock present in person or by proxy at such meeting, provided that a quorum, consisting of at least a majority of the then outstanding shares of Preferred Stock, is present.

(E) Any action specified in this subdivision 5 as requiring the consent of the holders of at least a specified proportion of the number of shares of Preferred Stock or of any particular series thereof at the time outstanding or represented at a meeting may be taken with such consent and with such additional vote or consent, if any, of stockholders as may be from time to time required by this Certificate of Incorporation, as amended from time to time, or by law.

6. In the event of any liquidation, dissolution or winding up of the affairs of the corporation, then, before any distribution or payment shall be made to the holders of any class of stock of the corporation ranking junior to the Preferred Stock, the holders of the Preferred Stock of the respective series shall be entitled to be paid in full the respective amounts fixed for such series. After such payment shall have been made in full to the holders of the Preferred Stock, the remaining assets and funds of the corporation shall be distributed among the holders of the stock of the corporation ranking junior to the Preferred Stock according to their respective rights. In the event that the assets of the corporation available for distribution to holders of Preferred Stock shall not be sufficient to make the payment herein required to be made in full, such assets shall be distributed to the holders of the respective shares of Preferred Stock pro rata in proportion to the amounts payable hereunder upon each share thereof.

7. Except as otherwise provided in any resolution of the Board of Directors providing for the issuance of any particular series of Preferred Stock, Preferred Stock redeemed or otherwise acquired by the corporation shall assume the status of authorized but unissued Preferred Stock and may thereafter, subject to the provisions of this Part I of Article FOURTH and of any restrictions contained in any resolution of the Board of Directors providing for the issue of any particular series of Preferred Stock, be reissued in the same manner as other authorized but unissued Preferred Stock.

II.

1. The Junior Preferred Stock may be issued in one or more series. The designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of the Junior Preferred Stock of each series shall be such as are stated and expressed herein and, to the extent not stated and expressed herein, shall be such as may be fixed by the Board of Directors (authority so to do being hereby expressly granted) and stated and expressed in a resolution or resolutions adopted by the Board of Directors providing for the issue of Junior Preferred Stock of such series. Subject to the prior rights of the holders of the Preferred Stock as set forth in Part I of this Article FOURTH, such resolution or resolutions shall (a) specify the series to which such Junior Preferred Stock shall belong, (b) state whether a dividend shall be payable in cash, stock or otherwise, whether such dividend shall be cumulative or non-cumulative and whether the Junior Preferred Stock of such series shall rank on a parity with or junior to other series of Junior Preferred Stock as to dividends, and fix the dividend rate therefor (or the manner of computing the rate of such dividends), (c) fix the amount which the holders of the Junior Preferred Stock of such series shall be entitled to be paid in the event of a voluntary or involuntary liquidation, dissolution or winding up of the corporation, (d) state whether or not the Junior Preferred Stock of such series shall be redeemable and at what times and under what conditions and the amount or amounts payable thereon in the event of redemption; and may, in a manner not inconsistent with the provisions of this Article FOURTH, (i) limit the number of shares of such series which may be issued, (ii) provide for a sinking fund for the purchase or redemption, or a purchase fund for the purchase, of shares of such series and the terms and provisions governing the operation of any such fund and the status as to reissuance of shares of Junior Preferred Stock purchased or otherwise reacquired or redeemed or retired through the operation thereof, and that so long as the corporation is in default as to such sinking or purchase fund the corporation shall not (with such exceptions, if any, as may be provided) pay any dividends upon or purchase or redeem shares of capital stock ranking junior to the Junior Preferred Stock with respect to dividends or distribution of assets upon liquidation (referred to in this Part II of Article FOURTH as "stock ranking junior to the Junior Preferred Stock"), (iii) grant voting rights to the holders of shares of such series in addition to and not inconsistent with those granted by this Part II of Article FOURTH to the holders of Junior Preferred Stock, and in the absence of such grant the holders of such series of Junior Preferred Stock shall have no such additional voting rights, (iv) impose conditions or restrictions upon the creation of indebtedness of the corporation or upon the issue of additional Junior Preferred Stock or other capital stock ranking on a parity therewith or prior thereto with respect to dividends or distribution of assets upon liquidation, (v) impose conditions or restrictions upon the payment of dividends upon, or the making of other distributions to, or the acquisition of, stock ranking junior to the Junior Preferred Stock, (vi) grant to the holders of the Junior Preferred Stock of such series the right to convert such stock into shares of stock ranking junior to the Junior Preferred Stock, and (vii) grant such other special rights to the holders of shares of such series as the Board of Directors may determine and as shall not be inconsistent with the provisions of this Article FOURTH or the prior rights of the holders of Preferred Stock as set forth in Part I of this Article FOURTH. The term "fixed for such series" and similar terms as used in this Part II of Article FOURTH shall mean stated and expressed in this Part II of Article FOURTH or in a resolution or resolutions adopted by the Board of Directors providing for the issue of Junior Preferred Stock of the series referred to therein.

2. So long as any shares of Junior Preferred Stock shall remain outstanding, in no event shall any dividends whatsoever, whether in cash, stock or otherwise, be paid or declared, or any distribution be made on any class of stock ranking junior to the Junior Preferred Stock, nor shall any shares of stock ranking junior to the Junior Preferred Stock be purchased, retired or otherwise acquired for a valuable consideration by the corporation, unless all dividends on the Junior Preferred Stock for all past periods shall have been paid, or declared and a sum sufficient for the payment of such dividends set apart, and the full dividend thereon for the then current dividend period shall have been paid or declared.

3. (A) So long as any shares of Junior Preferred Stock are outstanding the corporation shall not, without the consent of the holders of at least two-thirds of the number of shares of Junior Preferred Stock at the time outstanding, given in person or by proxy, either in writing or by vote at an annual meeting or a special meeting called for the purpose, amend, alter, or repeal any of the provisions of this Article FOURTH (other than provisions relating exclusively to the shares of Junior Preferred Stock of a particular

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series) so as to affect adversely the rights, powers or preferences of Junior Preferred Stock or of the holders thereof, and so long as any shares of any particular series of Junior Preferred Stock are outstanding the corporation shall not, without the consent of the holders of at least two-thirds of the number of shares of Junior Preferred Stock of such series at the time outstanding, given in person or by proxy, either in writing or by a vote at an annual meeting or a special meeting called for the purpose, amend, alter or repeal any of the provisions of this Article FOURTH (relating exclusively to the shares of Junior Preferred Stock of a particular series) or of any resolution or resolutions relating exclusively to the shares of Junior Preferred Stock of such series, so as to affect adversely the rights, powers or preferences of the Junior Preferred Stock of such series or the holders thereof.

(B) So long as any shares of Junior Preferred Stock are outstanding the corporation shall not, without the consent of the holders of at least a majority of the number of shares of Junior Preferred Stock at the time outstanding, given in person or by proxy, either in writing or by vote at an annual meeting or a special meeting called for that purpose:

(a) create or authorize any additional class of stock ranking prior to the Junior Preferred Stock in respect of dividends or distribution of assets on liquidation; or increase the authorized amount of Preferred Stock or any additional class of stock ranking prior to the Junior Preferred Stock in respect of dividends or distribution of assets on liquidation; or create or authorize any obligation or security convertible into shares of Preferred Stock or shares of stock of any additional class ranking prior to the Junior Preferred Stock in respect of dividends or distribution of assets on liquidation; or

(b) sell, lease, transfer or convey all, or substantially all, of its property or business, or consolidate with or merge into any other corporation or corporations; *provided, however,* that this subparagraph shall not apply to any merger of another corporation into the corporation or to any mortgage, pledge or other hypothecation of property of the corporation.

(C) So long as any shares of Junior Preferred Stock are outstanding the corporation shall not, without the consent of the holders of at least a majority of the number of shares of Junior Preferred Stock at the time outstanding, given in person or by proxy, either in writing or by vote at an annual meeting or a special meeting called for the purpose:

(a) create or authorize any class of stock ranking on a parity with the Junior Preferred Stock in respect of dividends or distribution of assets on liquidation; or

(b) increase the authorized amount of the Junior Preferred Stock or of any class of stock ranking on a parity with the Junior Preferred Stock in respect of dividends or distributions of assets on liquidation; or

(c) create or authorize any obligation or security convertible into shares of Junior Preferred Stock or shares of stock of any class ranking on a parity with the Junior Preferred Stock in respect of dividends or distribution of assets on liquidation.

(D) So long as any shares of Junior Preferred Stock are outstanding the corporation shall not purchase, redeem or otherwise acquire for value any shares of Junior Preferred Stock or of any other stock ranking on a parity with the Junior Preferred Stock in respect of dividends or distribution of assets on liquidation during the continuance of any default in the payment of dividends on the Junior Preferred Stock without the consent, given in person or by proxy or by vote at an annual meeting or at a special meeting called for that purpose, of the holders of at least a majority of the number of shares of Junior Preferred Stock present in person or by proxy at such meeting, provided that a quorum, consisting of at least a majority of the then outstanding shares of Junior Preferred Stock, is present.

(E) Any action specified in this subdivision 3 as requiring the consent of the holders of at least a specified proportion of the number of shares of Junior Preferred Stock or of any particular series thereof at the time outstanding or represented at a meeting may be taken with such consent and with such additional vote or consent, if any, of stockholders as may be from time to time required by this Certificate of Incorporation, as amended from time to time, or by law.

4. In the event of any liquidation, dissolution or winding up of the affairs of the corporation, then, before any distribution or payment shall be made to the holders of any class of stock of the corporation ranking junior to the Junior Preferred Stock, the holders of the Junior Preferred Stock of the respective series (subject to the rights of the Preferred Stock) shall be entitled to be paid in full the respective amounts fixed for such series. After such payment shall have been made in full to the holders of the Junior Preferred Stock, the remaining assets and funds of the corporation shall be distributed among the holders of the stock of the corporation ranking junior to the Junior Preferred Stock according to their respective rights. In the event that the assets of the corporation available for distribution to holders of Junior Preferred Stock shall not be sufficient to make the payment herein required to be made in full, such assets shall be distributed to the holders of the respective shares of Junior Preferred Stock pro rata in proportion to the amounts payable hereunder upon each share thereof.

5. Except as otherwise provided in any resolution of the Board of Directors providing for the issuance of any particular series of Junior Preferred Stock, shares of Junior Preferred Stock redeemed or otherwise acquired by the corporation shall assume the status of authorized but unissued Junior Preferred Stock and may thereafter, subject to the provisions of this Part II of Article FOURTH and of any restrictions contained in any resolution of the Board of Directors providing for the issue of any particular series of Junior Preferred Stock, be reissued in the same manner as other authorized but unissued Junior Preferred Stock.

III.

Subject to the prior and superior rights of the Preferred Stock and Junior Preferred Stock, and on the conditions set forth in the foregoing Parts I and II of this Article FOURTH or in any resolution of the Board of Directors providing for the issuance of any particular series of Preferred Stock or Junior Preferred Stock, and not otherwise, such dividends (payable in cash, stock or otherwise) as may be determined by the Board of Directors may be declared and paid on the Common Stock from time to time out of any funds legally available therefor.

Subject to the provisions of Parts I and II of this Article FOURTH, the holders of the Common Stock shall be entitled to one vote for each share held at all meetings of the stockholders of the corporation.

After payment shall have been made in full to the holders of the Preferred Stock and Junior Preferred Stock in the event of any liquidation, dissolution or winding up of the affairs of the corporation, the remaining assets and funds of the corporation shall be distributed among the holders of the Common Stock according to their respective shares.

IV.

Ownership of shares of any class of the capital stock of the corporation shall not entitle the holders thereof to any preemptive right to subscribe for or purchase or to have offered to them for subscription or purchase any additional shares of capital stock of any class of the corporation or any securities convertible into any class of capital stock of the corporation, however acquired, issued or sold by the corporation, it being the purpose and intent that the Board of Directors shall have full right, power and authority to offer for subscription or sell or to make any disposal of any or all unissued shares of the capital stock of the corporation or any securities convertible into stock or any or all shares of stock or convertible securities issued and thereafter acquired by the corporation, for such consideration, not less than the par value of shares having a par value, in money or property, as the Board of Directors shall determine.

FIFTH: (A) The business and affairs of the corporation shall be managed by or under the direction of a Board of Directors consisting of not less than three nor more than sixteen directors, the exact number of directors to be determined from time to time by resolution adopted by affirmative vote of a majority of the entire Board of Directors. The directors shall be divided into three classes, designated Class I, Class II

and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. The incorporator of the corporation shall elect the initial directors of the corporation and shall designate the class of each director. Class I directors shall serve until the first annual meeting of the stockholders of the corporation, Class II directors shall serve until the second annual meeting of stockholders of the corporation, and Class III directors shall serve until the third annual meeting of stockholders of the corporation. At each annual meeting of stockholders, successors to the class of directors whose term expires at that annual meeting shall be elected for a three-year term. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any additional director of any class elected to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent director. A director shall hold office until the annual meeting for the year in which his term expires and until his successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office. Any vacancy on the Board of Directors that results from an increase in the number of directors may be filled by a majority of the Board of Directors then in office, provided that a quorum is present, and any other vacancy occurring in the Board of Directors may be filled by a majority of the directors then in office, even if less than a quorum, or by a sole remaining director. Any director elected to fill a vacancy not resulting from an increase in the number of directors shall have the same remaining term as that of his predecessor.

Notwithstanding the foregoing, whenever the holders of any one or more classes or series of Preferred Stock or Junior Preferred Stock or any other class of stock issued by the corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Certificate of Incorporation applicable thereto, and such directors so elected shall not be divided into classes pursuant to this Article FIFTH unless expressly provided by such terms.

(B) In furtherance and not in limitation of the powers which are now or may hereafter be conferred by statute or the By-Laws of the corporation, the Board of Directors is expressly authorized:

(a) To fix, determine and vary from time to time the amount to be maintained as surplus and the amount or amounts to be set apart as working capital.

(b) To set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purposes and/or to abolish any such reserve in the manner in which it was created.

(c) To make, amend, alter, change, add to or repeal By-Laws for the corporation, without any action on the part of the stockholders. The By-Laws made by the Board of Directors may be amended, altered, changed, added to or repealed by the stockholders.

(d) To authorize and cause to be executed mortgages and liens, without limit as to amount, upon the real and personal property of the corporation.

(e) From time to time to determine whether and to what extent, at what time and place, and under what conditions and regulations the accounts and books of the corporation or any of them, shall be open to the inspection of any stockholder, and no stockholder shall have any right to inspect any account or book or document of the corporation except as conferred by statute or the By-Laws or as authorized by a resolution of the stockholders or the Board of Directors.

(f) To authorize the payment of compensation to the directors for services to the corporation, including fees for attendance at meetings of the Board of Directors, and of any committees, and to determine the amount of such compensation and fees.

(g) To designate by resolution or resolutions passed by a majority of the whole Board one or more committees, each committee to consist of two or more of the directors of the corporation, which to the extent provided in said resolution or resolutions or in the By-Laws of the corporation shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the corporation and may have power to authorize the seal of the corporation to be affixed to all papers which may require it.

(h) At any time or from time to time (without any action by the stockholders of the corporation) to create and issue, whether or not in connection with the issue and sale of any shares of stock or other securities of the corporation, rights or options entitling the holders thereof to purchase from the corporation any shares of its capital stock of any class or classes or of any series of any class or classes, such rights or options to be evidenced by or in such instrument or instruments as shall be approved by the Board of Directors. The terms upon which, the time or times, which may be limited or unlimited in duration, at or within which, and the price or prices at which any such shares may be purchased from the corporation upon the exercise of any such right or option shall be such as shall be fixed and stated in the resolution or resolutions adopted by the Board of Directors providing for the creation and issue of such rights or options and, in every case, set forth or incorporated by reference in the instrument or instruments evidencing such rights or options.

SIXTH: The name and mailing address of the sole incorporator is the following: Tenneco Inc., P.O. Box 2511, Houston, Texas 77252-2511.

SEVENTH: A director of this 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, officer 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 (1) by a vote of a majority of a quorum of the Board of Directors or of the Executive Committee, without counting in such majority or quorum any director so interested or a member of a firm so interested, or a shareholder, officer or director of a corporation so interested, or (2) by the written consent, or by the 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, nor shall any director be liable to account to the corporation for any profits realized by or 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, officer or director was interested in such transaction or contract. Nothing herein contained shall create liability in the events above described or prevent the authorization, ratification or approval of such contracts in any other manner permitted by law.

A director shall be fully protected in relying in good faith upon the books of account of the corporation or statements prepared by any of its officials as to the value and amount of the assets, liabilities and/or net profits of the corporation, or any other facts pertinent to the existence and amount of surplus or other funds from which dividends might properly be declared and paid.

EIGHTH: The corporation is to have perpetual existence.

NINTH: A. In addition to any affirmative vote required by law or this Certificate of Incorporation or the By-Laws of the corporation, and except as otherwise expressly provided in Section B of this Article NINTH, a Business Combination (as hereinafter defined) with, or proposed by or on behalf of, any Interested Stockholder (as hereinafter defined) or any Affiliate or Associate (as hereinafter defined) of any Interested Stockholder or any person who thereafter would be an Affiliate or Associate of such Interested Stockholder shall require the affirmative vote of not less than 66⅔% of the votes entitled to be cast by the holders of all the then outstanding shares of Voting Stock (as hereinafter defined), voting together as a single class, excluding Voting Stock beneficially owned by any Interested Stockholder. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage or separate class vote may be specified, by law or in any agreement with any national securities exchange or otherwise.

B. The provisions of Section A of this Article NINTH shall not be applicable to any particular Business Combination, and such Business Combination shall require only such affirmative vote, if any, as is required by law or by any other provision of this Certificate of Incorporation or the By-Laws of the corporation, or any agreement with any national securities exchange, if all of the conditions specified in either of the following Paragraphs 1 or 2 are met or, in the case of a Business Combination not involving the payment of consideration to the holders of the corporation's outstanding Capital Stock (as hereinafter defined), if the condition specified in the following Paragraph 1 is met:

1. The Business Combination shall have been approved either specifically or as a transaction which is within an approved category of transactions, by a majority (whether such approval is made prior to or subsequent to the acquisition of, or announcement or public disclosure of the intention to acquire, beneficial ownership of the Voting Stock that caused the Interested Stockholder to become an Interested Stockholder) of the Continuing Directors (as hereinafter defined).

2. All of the following conditions shall have been met:

a. the aggregate amount of cash and the Fair Market Value (as hereinafter defined), as of the date of the consummation of the Business Combination, of consideration other than cash to be received per share by holders of Common Stock in such Business Combination shall be at least equal to the highest amount determined under clauses (i) and (ii) below:

(i) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by or on behalf of the Interested Stockholder for any share of Common Stock in connection with the acquisition by the Interested Stockholder of beneficial ownership of shares of Common Stock (x) within the two-year period immediately prior to the first public announcement of the proposed Business Combination (the "Announcement Date") or (y) in the transaction in which it became an Interested Stockholder, whichever is higher, in either case as adjusted for any subsequent stock split, stock dividend, subdivision or reclassification with respect to Common Stock; and

(ii) the Fair Market Value per share of Common Stock on the Announcement Date or on the date on which the Interested Stockholder became an Interested Stockholder (the "Determination Date"), whichever is higher, as adjusted for any subsequent stock split, stock dividend, subdivision or reclassification with respect to Common Stock.

b. The aggregate amount of cash and the Fair Market Value, as of the date of the consummation of the Business Combination, of consideration other than cash to be received per share by holders of shares of any class or series of outstanding Capital Stock, other than Common Stock, shall be at least equal to the highest amount determined under clauses (i), (ii), (iii) and (iv) below

(i) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by or on behalf of the Interested Stockholder for any share of such class or series of Capital Stock in connection with the acquisition by the Interested Stockholder of beneficial ownership of shares of such class or series of Capital Stock (x) within the two-year period immediately prior to the Announcement Date, or (y) in the transaction in which it became an Interested Stockholder, whichever is higher, in either case as adjusted for any subsequent stock split, stock dividend, subdivision or reclassification with respect to such class or series of Capital Stock;

(ii) the Fair Market Value per share of such class or series of Capital Stock on the Announcement Date or on the Determination Date, whichever is higher, as adjusted for any subsequent stock split, stock dividend, subdivision or reclassification with respect to such class or series of Capital Stock;

(iii) (if applicable) the price per share equal to the Fair Market Value per share of such class or series of Capital Stock determined pursuant to the immediately preceding clause (ii), multiplied by the ratio of (x) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by or on behalf of

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the Interested Stockholder for any share of such class or series of Capital Stock in connection with the acquisition by the Interested Stockholder of beneficial ownership of shares of such class or series of Capital Stock within the two-year period immediately prior to the Announcement Date, as adjusted for any subsequent stock split, stock dividend, subdivision or reclassification with respect to such class or series of Capital Stock to (y) the Fair Market Value per share of such class or series of Capital Stock on the first day in such two-year period on which the Interested Stockholder acquired beneficial ownership of any share of such class or series of Capital Stock, as adjusted for any subsequent stock split, stock dividend, subdivision or reclassification with respect to such class or series of Capital Stock; and

(iv) (if applicable) the highest preferential amount per share to which the holders of shares of such class or series of Capital Stock would be entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the corporation regardless of whether the Business Combination to be consummated constitutes such an event.

The provisions of this Paragraph 2 shall be required to be met with respect to every class or series of outstanding Capital Stock, whether or not the Interested Stockholder has previously acquired beneficial ownership of any shares of a particular class or series of Capital Stock.

c. The consideration to be received by holders of a particular class or series of outstanding Capital Stock shall be in cash or in the same form as previously has been paid by or on behalf of the Interested Stockholder in connection with its direct or indirect acquisition of beneficial ownership of shares of such class or series of Capital Stock. If the consideration so paid for shares of any class or series of Capital Stock varied as to form, the form of consideration for such class or series of Capital Stock shall be either cash or the form used to acquire beneficial ownership of the largest number of shares of such class or series of Capital Stock previously acquired by the Interested Stockholder.

d. After the Determination Date and prior to the consummation of such Business Combination: (i) except as approved by a majority of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor any full quarterly dividends (whether or not cumulative) payable in accordance with the terms of any outstanding Capital Stock; (ii) there shall have been no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any stock split, stock dividend or subdivision of the Common Stock), except as approved by a majority of the Continuing Directors; (iii) there shall have been an increase in the annual rate of dividends paid on the Common Stock as necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction that has the effect of reducing the number of outstanding shares of Common Stock, unless the failure so to increase such annual rate is approved by a majority of the Continuing Directors; and (iv) such Interested Stockholder shall not have become the beneficial owner of any additional shares of Capital Stock except as part of the transaction that results in such Interested Stockholder becoming an Interested Stockholder and except in a transaction that, after giving effect thereto, would not result in any increase in the Interested Stockholder's percentage beneficial ownership of any class or series of Capital Stock.

e. A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (the "Act") (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to all stockholders of the corporation at least 30 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions). The proxy or information statement shall contain on the first page thereof, in a prominent place, any statement as to the advisability (or inadvisability) of the Business Combination that the Continuing Directors, or any of them, may choose to make and, if deemed advisable by a majority of the

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Continuing Directors, the opinion of an investment banking firm selected by a majority of the Continuing Directors as to the fairness (or not) of the terms of the Business Combination from a financial point of view to the holders of the outstanding shares of Capital Stock other than the Interested Stockholder and its Affiliates or Associates (as hereinafter defined), such investment banking firm to be paid a reasonable fee for its services by the corporation.

f. Such Interested Stockholder shall not have made any major change in the corporation's business or equity capital structure without the approval of a majority of the Continuing Directors.

C. The following definitions shall apply with respect to this Article NINTH:

1. The term "Business Combination" shall mean:

a. any merger or consolidation of the corporation or any Subsidiary (as hereinafter defined) with (i) any Interested Stockholder or (ii) any other company (whether or not itself an Interested Stockholder) which is or after such merger or consolidation would be an Affiliate or Associate of an Interested Stockholder; or

b. any sale, lease, exchange, mortgage, pledge, transfer or other disposition or security arrangement, investment, loan, advance, guarantee, agreement to purchase, agreement to pay, extension of credit, joint venture participation or other arrangement (in one transaction or a series of transactions) with or for the benefit of any Interested Stockholder or any Affiliate or Associate of any Interested Stockholder involving any assets, securities or commitments of the corporation, any Subsidiary or any Interested Stockholder or any Affiliate or Associate of any Interested Stockholder which (except for any arrangement, whether as employee, consultant or otherwise, other than as a director, pursuant to which any Interested Stockholder or any Affiliate or Associate thereof shall, directly or indirectly, have any control over or responsibility for the management of any aspect of the business or affairs of the corporation, with respect to which arrangements the value tests set forth below shall not apply), together with all other such arrangements (including all contemplated future events), has an aggregate Fair Market Value and/or involves aggregate commitments of $25,000,000 or more or constitutes more than five percent of the book value of the total assets (in the case of transactions involving assets or commitments other than capital stock) or five percent of the stockholders' equity (in the case of transactions in capital stock) of the entity in question (the "Substantial Part"), as reflected in the most recent fiscal year-end consolidated balance sheet of such entity existing at the time the stockholders of the corporation would be required to approve or authorize the Business Combination involving the assets, securities and/or commitments constituting any Substantial Part; or

c. the adoption of any plan or proposal for the liquidation or dissolution of the corporation or for any amendment to the corporation's By-Laws; or

d. any reclassification of securities (including any reverse stock split), or recapitalization of the corporation, or any merger or consolidation of the corporation with any of its Subsidiaries or any other transaction (whether or not with or otherwise involving an Interested Stockholder) that has the effect, directly or indirectly, of increasing the proportionate share of any class or series of Capital Stock, or any securities convertible into Capital Stock or into equity securities of any Subsidiary, that is beneficially owned by any Interested Stockholder or any Affiliate or Associate of any Interested Stockholder; or

e. any agreement, contract or other arrangement providing for any one or more of the actions specified in the foregoing clauses (a) to (d).

2. The term "Capital Stock" shall mean all capital stock of the corporation authorized to be issued from time to time under Article FOURTH of this Certificate of Incorporation, and the term "Voting Stock" shall mean all Capital Stock which by its terms may be voted on all matters submitted to stockholders of the corporation generally.

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3. The term "person" shall mean any individual, firm, company or other entity and shall include any group comprised of any person and any other person with whom such person or any Affiliate or Associate of such person has any agreement, arrangement or understanding, directly or indirectly, for the purpose of acquiring, holding, voting or disposing of Capital Stock.

4. The term "Interested Stockholder" shall mean any person (other than the corporation or any Subsidiary and other than any profit-sharing, employee stock ownership or other employee benefit plan of the corporation or any Subsidiary or any trustee of or fiduciary with respect to any such plan when acting in such capacity) who (a) is or has announced or publicly disclosed a plan or intention to become the beneficial owner of Voting Stock representing five percent or more of the votes entitled to be cast by the holders of all then outstanding shares of Voting Stock; or (b) is an Affiliate or Associate of the corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner of Voting Stock representing five percent or more of the votes entitled to be cast by the holders of all then outstanding shares of Voting Stock.

5. A person shall be a "beneficial owner" of any Capital Stock (a) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; (b) which such person or any of its Affiliates or Associates has, directly or indirectly, (i) the right to acquire (whether such right is exercisable immediately or subject only to the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise, or (ii) the right to vote pursuant to any agreement, arrangement or understanding; or (c) which are beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of Capital Stock. For the purposes of determining whether a person is an Interested Stockholder pursuant to Paragraph 4 of this Section C, the number of shares of Capital Stock deemed to be outstanding shall include shares deemed beneficially owned by such person through application of this Paragraph 5 of Section C, but shall not include any other shares of Capital Stock that may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

6. The terms "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 under the Act as in effect on March 5, 1985 (the term "registrant" in said Rule 12b-2 meaning in this case the corporation).

7. The term "Subsidiary" means any company of which a majority of any class of equity securities are beneficially owned by the corporation; provided, however, that for the purposes of the definition of Interested Stockholder set forth in Paragraph 4 of this Section C, the term "Subsidiary" shall mean only a company of which a majority of each class of equity security is beneficially owned by the corporation.

8. The term "Continuing Director" means any member of the Board of Directors of the corporation (the "Board of Directors"), while such person is a member of the Board of Directors, who is not an Affiliate or Associate or representative of the Interested Stockholder and was a member of the Board of Directors prior to the time that the Interested Stockholder became an Interested Stockholder, and any successor of a Continuing Director while such successor is a member of the Board of Directors, who is not an Affiliate or Associate or representative of the Interested Stockholder and is recommended or elected to succeed the Continuing Director by a majority of Continuing Directors.

9. The term "Fair Market Value" means (a) in the case of cash, the amount of such cash; (b) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such stock on the Composite Tape for New York Stock Exchange-Listed Stocks, or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, or, if such stock is not listed on such Exchange, on the principal United States securities exchange registered under the Act on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotation System or any similar system then in use, or if no such quotations are available, the fair market value

on the date in question of a share of such stock as determined by a majority of the Continuing Directors in good faith; and (c) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined in good faith by a majority of the Continuing Directors.

10. In the event of any Business Combination in which the corporation survives, the phrase "consideration other than cash to be received" as used in Paragraphs 2.a and 2.b of Section B of this Article NINTH shall include the shares of Common Stock and/or the shares of any other class or series of Capital Stock retained by the holders of such shares.

D. A majority of the Continuing Directors shall have the power and duty to determine for the purposes of this Article NINTH, on the basis of information known to them after reasonable inquiry, all questions arising under this Article NINTH, including, without limitation, (a) whether a person is an Interested Stockholder, (b) the number of shares of Capital Stock or other securities beneficially owned by any person, (c) whether a person is an Affiliate or Associate of another, (d) whether a Proposed Action is with, or proposed by, or on behalf of an Interested Stockholder or an Affiliate or Associate of an Interested Stockholder, (e) whether the assets that are the subject of any Business Combination have, or the consideration to be received for the issuance or transfer of securities by the corporation or any Subsidiary in any Business Combination has, an aggregate Fair Market Value of $25,000,000 or more, and (f) whether the assets or securities that are the subject of any Business Combination constitute a Substantial Part. Any such determination made in good faith shall be binding and conclusive on all parties.

E. Nothing contained in this Article NINTH shall be construed to relieve any Interested Stockholder from any fiduciary obligation imposed by law.

F. The fact that any Business Combination complies with the provisions of Section B of this Article NINTH shall not be construed to impose any fiduciary duty, obligation or responsibility on the Board of Directors, or any member thereof, to approve such Business Combination or recommend its adoption or approval to the stockholders of the corporation, nor shall such compliance limit, prohibit or otherwise restrict in any manner the Board of Directors, or any member thereof, with respect to evaluations of or actions and responses taken with respect to such Business Combination.

G. For the purposes of this Article NINTH, a Business Combination or any proposal to amend, repeal or adopt any provision of this Certificate of Incorporation inconsistent with this Article NINTH (collectively, "Proposed Action") is presumed to have been proposed by or on behalf of, an Interested Stockholder or an Affiliate or Associate of an Interested Stockholder or a person who thereafter would become such if (1) after the Interested Stockholder became such, the Proposed Action is proposed following the election of any director of the corporation who with respect to such Interested Stockholder would not qualify to serve as a Continuing Director or (2) such Interested Stockholder, Affiliate, Associate or person votes for or consents to the adoption of any such Proposed Action, unless as to such Interested Stockholder, Affiliate, Associate or person a majority of the Continuing Directors makes a good faith determination that such Proposed Action is not proposed by or on behalf of such Interested Stockholder, Affiliate, Associate or person, based on information known to them after reasonable inquiry.

H. Notwithstanding any other provisions of this Certificate of Incorporation or the By-Laws of the corporation (and notwithstanding the fact that a lesser percentage or separate class vote may be specified by law, this Certificate of Incorporation or the By-Laws of the corporation), any proposal to amend, repeal or adopt any provision of this Certificate of Incorporation inconsistent with this Article NINTH which is proposed by or on behalf of an Interested Stockholder or an Affiliate or Associate of an Interested Stockholder shall require the affirmative vote of the holders of not less than 66⅔% of the votes entitled to be cast by the holders of all the then outstanding shares of Voting Stock, voting together as a single class, excluding Voting Stock beneficially owned by any Interested Stockholder, *provided, however,* that this Section H shall not apply to, and such 66⅔% vote shall not be required for, any amendment, repeal or adoption unanimously recommended by the Board of Directors if all of such directors are persons who would be eligible to serve as Continuing Directors within the meaning of Paragraph 8 of Section C of this Article NINTH.

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TENTH: A director of this corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit.

IN WITNESS WHEREOF, said Tenneco Inc., being the sole incorporator, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, has caused this Certificate to be signed by J. L. Ketelsen, its Chairman and Chief Executive Officer, and its corporate seal to be affixed and attested by Karl A. Stewart, its Secretary, this 7th day of October, 1987, thereby declaring and certifying that this is its act and deed and the facts herein stated are true.

TENNECO INC.
Sole Incorporator

By: _____
J. L. Ketelsen,
Chairman and Chief Executive Officer

[CORPORATE SEAL]

ATTEST:

_____
Karl A. Stewart, *Secretary*

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[CONFORMED COPY]

TENNECO HOLDINGS, INC.

Certificate of Designation, Preferences and Rights of Preferred Stock by Resolution of the Board of Directors Providing for an Issue of 200,396 Shares of Preferred Stock Designated "Variable Rate Preferred Stock"

We, Robert T. Blakely, Senior Vice President, and Karl A. Stewart, Secretary, of Tenneco Holdings, Inc. (hereinafter referred to as the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 151 thereof, do HEREBY CERTIFY:

That pursuant to authority conferred upon the Board of Directors by the Certificate of Incorporation of said Corporation, as amended (hereinafter referred to as the "Certificate of Incorporation"), said Board of Directors, by unanimous written consent, pursuant to Section 141(f) of the General Corporation Law of the State of Delaware, dated as of October 9, 1987, adopted a resolution providing for the issuance of a series of Preferred Stock, to be designated "Variable Rate Preferred Stock", which resolution is as follows:

RESOLVED, that pursuant to the authority vested in the Board of Directors of the Corporation by the Certificate of Incorporation, the Board of Directors does hereby provide for the issue of a series of Preferred Stock, without par value, of the Corporation, to be designated "Variable Rate Preferred Stock" (hereinafter referred to as the "Variable Rate Preferred Stock"), consisting of 200,396 shares, and to the extent that the designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions of the Variable Rate Preferred Stock are not stated and expressed in the Certificate of Incorporation, does hereby fix and herein state and express such designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions thereof, as follows (all terms used herein which are defined in the Certificate of Incorporation shall be deemed to have the meanings provided therein):

(1) Dividends on shares of the Variable Rate Preferred Stock shall accrue from, and as if issued on, April 30, 1987, except that if the number of shares of Variable Rate Preferred Stock shall hereafter be increased by further resolution of the Board of Directors, dividends on such additional shares shall accrue from such other date or dates as may be fixed by the Board of Directors in such resolution.

(2) (a) On or before April 30, 1988 and each April 30 thereafter so long as any shares of the Variable Rate Preferred Stock are outstanding, the Corporation shall pay in cash and in U.S. dollars as dividends to each holder of record of such shares an amount calculated as follows:

Dividend Payable April 30 in Each of the Years:	Dividend Rate Per Annum
1988	$ 3.00 per share
1989-1991	5.00 per share
1992-1994	9.00 per share
1995-1997	10.00 per share

(b) For purposes hereof, the holder of record of any share of the Variable Rate Preferred Stock entitled to receive a dividend payment pursuant to the provisions of clause (2)(a) above shall be the holder of record of such share as of the close of business on the first day of April in the year such dividend payment is to be made, as shown on the stockholder records of the Corporation.

(3) The amounts which the holders of the Variable Rate Preferred Stock shall be entitled to receive in the event of a liquidation, dissolution, or winding-up of the affairs of the Corporation shall, in the event of a voluntary or involuntary liquidation, dissolution or winding-up, be $100.00 per share, plus in each case a sum equal to accrued and unpaid dividends to the date of payment.

(4) The Variable Rate Preferred Stock shall be redeemable in whole or in part at any time or from time to time at the option of the Corporation at $100.00 per share plus accrued and unpaid dividends.

(5) Within each twelve month period commencing with the twelve month period ended April 30, 1992, the Corporation shall have the right to, and shall, acquire (and retire) either by redemption thereof at $100.00 per share plus accrued and unpaid dividends (hereinafter referred to as the "mandatory redemption price") or by purchase thereof in such manner as the Board of Directors may determine from time to time at a price not exceeding the mandatory redemption price thereof, 32,564 shares of Variable Rate Preferred Stock; provided however, that all shares of Variable Rate Preferred Stock outstanding on April 30, 1997 shall be so acquired by the Corporation on that date.

If (i) more than said amounts of Variable Rate Preferred Stock shall be so acquired pursuant to the first paragraph of this clause (5) in any such twelve month period, or (ii) shares of Variable Rate Preferred Stock are redeemed under clause (4) above, or (iii) shares of Variable Rate Preferred Stock are acquired by purchase at any time, and in any such case, the certificates therefor are cancelled, the number of shares so acquired may be credited against the amount required to be acquired in any one or more of the twelve month periods described in the first paragraph of this clause (5) subsequent to the date of acquisition of such shares which the Corporation may designate.

(6) Any shares of the Variable Rate Preferred Stock which shall have been redeemed or otherwise acquired shall assume the status of authorized but unissued Preferred Stock.

(7) The number of shares of Variable Rate Preferred Stock may, to the extent of the Corporation's authorized and unissued Preferred Stock, be increased by further resolution duly adopted by the Board of Directors and the filing and recording of a certificate pursuant to the provisions of the General Corporation Law of the State of Delaware stating that such increase has been so authorized.

IN WITNESS WHEREOF, said Tenneco Holdings, Inc. has caused this Certificate to be signed by Robert T. Blakely, as Senior Vice President, and its corporate seal to be hereunto affixed and attested by Karl A. Stewart, as Secretary, this 9th day of October, 1987.

TENNECO HOLDINGS, INC.

By: ROBERT T. BLAKELY

Robert T. Blakely, *Senior Vice President*

[CORPORATE SEAL]

ATTEST:

KARL A. STEWART

Karl A. Stewart, *Secretary*

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TENNECO HOLDINGS, INC.

Certificate of Designation, Preferences and Rights of Preferred Stock by Resolution of the Board of Directors Providing for an Issue of 1,859,000 Shares of Preferred Stock Designated "Participating Preferred Stock"

We, Robert T. Blakely, Senior Vice President, and Karl A. Stewart, Secretary of Tenneco Holdings, Inc. (hereinafter referred to as the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 151 thereof, do HEREBY CERTIFY:

That pursuant to authority conferred upon the Board of Directors by the Certificate of Incorporation of said Corporation, as amended (hereinafter referred to as the "Certificate of Incorporation"), said Board of Directors, by unanimous written consent, pursuant to Section 141(f) of the General Corporation Law of the State of Delaware, dated as of October 9, 1987, adopted a resolution providing for the issuance of a series of Preferred Stock, to be designated "Participating Preferred Stock", which resolution is as follows:

RESOLVED, that pursuant to the authority vested in the Board of Directors of the Corporation by the Certificate of Incorporation, the Board of Directors does hereby provide for the issue of a series of Preferred Stock, without par value, of the Corporation, to be designated "Participating Preferred Stock" (hereinafter referred to as the "Participating Preferred Stock"), consisting of 1,859,000 shares, and to the extent that the designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions of the Participating Preferred Stock are not stated and expressed in the Certificate of Incorporation, does hereby fix and herein state and express such designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions thereof, as follows (all terms used herein which are defined in the Certificate of Incorporation shall be deemed to have the meanings provided therein):

(1) Dividends on shares of the Participating Preferred Stock shall accrue from, and as if issued on, January 31, 1985, except that if the number of shares of Participating Preferred Stock shall hereafter be increased by further resolution of the Board of Directors, dividends on such additional shares shall accrue from such other date or dates as may be fixed by the Board of Directors in such resolution.

(2) (a) On or before April 15, 1988 and each April 15 thereafter so long as any shares of the Participating Preferred Stock are outstanding, the Corporation shall pay in cash as dividends to each holder of record of such shares the lesser of

(i) $10 per share, or

(ii) an amount per share computed by multiplying "Adjusted Operating Income", for the next preceding calendar year, by .025, and dividing the product thereof by 1,859,000.

For purposes hereof, the term "Adjusted Operating Income" for any year shall be determined as follows:

The amount shown as "Income (loss) from continuing operations before allocated overhead, management fee and taxes" on a statement of income and retained earnings of J. I. Case Company and its consolidated subsidiaries for such year, prepared in accordance with generally accepted accounting principles and certified by independent public accountants of recognized standing, reduced by the cumulative amount of losses, if any, shown as "Income (loss) from continuing operations before allocated overhead, management fee and taxes" on statements of income and retained earnings of J. I. Case Company and its consolidated subsidiaries, prepared in accordance with generally accepted accounting principles and certified by independent public accountants of recognized standing, for 1985 and each year thereafter to the extent such losses have not previously been applied as a reduction in any prior year in computing Adjusted Operating Income.

With respect to the calendar year 1985, the amount of losses, if any, which may be applied to reduce Adjusted Operating Income in subsequent years shall be equal to the product of (x) a fraction, the numerator of which is the number of months in 1985 remaining after the end of the month in which the closing under the Purchase Agreement dated as of November 26, 1984 among Tenneco Inc., J. I. Case Company and International Harvester Company (the "Purchase Agreement") occurs, and the denominator of which is twelve, and (y) the amount shown as "Income (loss) from continuing operations before allocated overhead, management fee and taxes" on a statement of income and retained earnings of J. I. Case Company and its consolidated subsidiaries for the calendar year 1985, prepared in accordance with generally accepted accounting principles and certified by independent public accountants of recognized standing.

(b) For purposes hereof, the holder of record of any share of the Participating Preferred Stock entitled to receive a dividend payment pursuant to the provisions of clause 2(a) above shall be the holder of record of such share as of the close of business on the first day of April in the year such dividend payment is to be made, as shown on the stockholder records of the Corporation.

(3) The amounts which the holders of the Participating Preferred Stock shall be entitled to receive in the event of a liquidation, dissolution, or winding-up of the affairs of the Corporation shall, in the event of a voluntary or involuntary liquidation, dissolution or winding-up, be $100.00 per share, plus in each case a sum equal to accrued and unpaid dividends to the date of payment.

(4) The Participating Preferred Stock shall be redeemable in whole or in part at any time or from time to time at the option of the Corporation at the applicable prices set forth below; the sums payable upon the redemption thereof at the option of the Corporation (in addition to accrued and unpaid dividends) shall be

(i) $106 per share if redeemed prior to April 30, 1988, or

(ii) $103 per share if redeemed on or after April 30, 1988 and prior to April 30, 1989, or

(iii) $101 per share if redeemed on or after April 30, 1989 and prior to April 30, 1990, or

(iv) $100 per share if redeemed on or after April 30, 1990.

(5) Within each twelve month period commencing with the twelve month period ended December 31, 1990, the Corporation shall have the right to, and shall, acquire (and retire), either by redemption thereof at $100.00 per share plus accrued and unpaid dividends (hereinafter referred to as the "mandatory redemption price") or by purchase thereof in such manner as the Board of Directors may determine from time to time at a price not exceeding the mandatory redemption price thereof, an amount of Participating Preferred Stock issued in connection with the transactions contemplated by the Purchase Agreement equal to the lesser of (i) 250,000 shares of Participating Preferred Stock or (ii) the number of shares of Participating Preferred Stock outstanding.

If (i) more than said amounts of Participating Preferred Stock shall be so acquired pursuant to the first paragraph of this clause (5) in any such twelve month period, or (ii) shares of Participating Preferred Stock are redeemed under clause (4) above, or (iii) shares of Participating Preferred Stock are acquired by purchase at any time, and in any such case, the certificates therefor are cancelled, the number of shares so acquired may be credited against the amount required to be acquired in any one or more of the twelve month periods described in the first paragraph of this clause (5) subsequent to the date of acquisition of such shares which the Corporation may designate.

(6) Any shares of the Participating Preferred Stock which shall have been redeemed or otherwise acquired shall assume the status of authorized but unissued Preferred Stock.

(7) The number of shares of Participating Preferred Stock may, to the extent of the Corporation's authorized and unissued Preferred Stock, be increased by further resolution duly adopted by the Board of Directors and the filing and recording of a certificate pursuant to the provisions of the General Corporation Law of the State of Delaware stating that such increase has been so authorized.

IN WITNESS WHEREOF, said Tenneco Holdings, Inc. has caused this Certificate to be signed by Robert T. Blakely, as Senior Vice President, and its corporate seal to be hereunto affixed and attested by Karl A. Stewart, as Secretary, this 9th day of October, 1987.

TENNECO HOLDINGS, INC.

By: Robert T. Blakely

Robert T. Blakely, *Senior Vice President*

[CORPORATE SEAL]

ATTEST:

Karl A. Stewart

Karl A. Stewart, *Secretary*

847670039

10-9-87

TENNECO HOLDINGS, INC.

Certificate of Designation, Preferences and Rights of Preferred Stock by Resolution of the Board of Directors Providing for an Issue of 1,957,607 Shares of Preferred Stock Designated "$7.40 Cumulative Preferred Stock"

We, Robert T. Blakely, Senior Vice President, and Karl A. Stewart, Secretary, of Tenneco Holdings, Inc. (hereinafter referred to as the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 151 thereof, do HEREBY CERTIFY:

That pursuant to authority conferred upon the Board of Directors by the Certificate of Incorporation of said Corporation, as amended (hereinafter referred to as the "Certificate of Incorporation"), said Board of Directors, by unanimous written consent, pursuant to Section 141(f) of the General Corporation Law of the State of Delaware, dated as of October 9, 1987, adopted a resolution providing for the issuance of a series of Preferred Stock, to be designated "$7.40 Cumulative Preferred Stock", which resolution is as follows:

RESOLVED, that pursuant to the authority vested in the Board of Directors of the Corporation by the Certificate of Incorporation, the Board of Directors does hereby provide for the issue of a series of Preferred Stock, without par value, of the Corporation, to be designated "$7.40 Cumulative Preferred Stock" (hereinafter referred to as the "$7.40 Preferred Stock"), consisting of 1,957,607 shares, and to the extent that the designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions of the $7.40 Preferred Stock are not stated and expressed in the Certificate of Incorporation, does hereby fix and herein state and express such designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions thereof, as follows (all terms used herein which are defined in the Certificate of Incorporation shall be deemed to have the meanings provided therein):

(1) The dividend rate on the $7.40 Preferred Stock shall be $7.40 per annum. Dividends shall accrue on shares of the $7.40 Preferred Stock from, and as if issued on, the quarter-yearly dividend payment date next preceding the date of issuance thereof unless the date of issuance is a quarter-yearly dividend payment date, in which event dividends thereon shall accrue from such date.

(2) The amounts which the holders of the $7.40 Preferred Stock shall be entitled to receive in the event of a liquidation, dissolution or winding-up of the affairs of the corporation shall, in the event of a voluntary liquidation, dissolution or winding-up, be the respective amounts which they would be entitled to receive if on the date of such liquidation, dissolution or winding-up the shares of the $7.40 Preferred Stock held by them had been redeemed by the Corporation in accordance with the provisions of Subdivision 4 of Part I of Article FOURTH of the Certificate of Incorporation at the prices set forth in paragraph (3) of this resolution, or if the $7.40 Preferred Stock shall not at the time be redeemable at the option of the Corporation, then at $101.00 per share, or, in the event of an involuntary liquidation, dissolution or winding-up, at $100.00 per share, plus in each case a sum equal to accrued and unpaid dividends to the date of payment.

(3) Commencing March 1, 1988, the $7.40 Preferred Stock shall be redeemable in whole or in part at any time or from time to time at the option of the corporation at the applicable prices set forth below; the sums payable upon the redemption thereof at the option of the corporation (in addition to accrued and unpaid dividends) shall be

$101.00 per share if redeemed on or after March 1, 1988 and prior to March 1, 1993 or
$100.00 per share if redeemed on or after March 1, 1993.

(4) (a) Within each twelve months period commencing with the twelve months period ended March 1, 1989, the Corporation shall acquire (and retire) either by redemption thereof at $100.00 per share plus accrued and unpaid dividends (hereinafter referred to as the "mandatory redemption price") or by purchase thereof in such manner as the Board of Directors may

determine from time to time at a price not exceeding the mandatory redemption prices thereof, 195,761 shares of $7.40 Preferred Stock, provided, however, that all shares of $7.40 Preferred Stock outstanding on March 1, 1998 shall be so acquired by the corporation on such date.

If more than said amounts of $7.40 Preferred Stock shall be so acquired pursuant to this clause (a) in any such twelve months period and the certificates therefor cancelled, the excess may be credited against the amount required to be acquired in any one or more of the subsequent twelve months periods which the Corporation may designate.

(b) Within each twelve months period commencing with the twelve months period ended March 1, 1989, the Corporation, at its option, shall be entitled to acquire (and retire) by redemption thereof at $100.00 per share plus accrued and unpaid dividends an amount of $7.40 Preferred Stock up to but not exceeding 195,761 shares, which option, if not exercised, is noncumulative.

(5) (a) The holders of $7.40 Preferred Stock shall be entitled to one vote for each share held at all meetings of the stockholders of the Corporation.

(b) Whenever, at any time or times, dividends payable on the $7.40 Preferred Stock shall be in arrears in an aggregate amount equivalent to six full quarter-yearly dividends (in determining the amount of dividends in arrears, the full amount of the quarter-yearly dividend shall be included for each quarter-yearly dividend which was not paid in full), the holders of outstanding $7.40 Preferred Stock shall have the exclusive right, voting separately and as a class, to elect two directors of the Corporation and the remaining directors shall be elected by the holders of the class or classes of stock entitled to vote therefor at each meeting of the stockholders held for the purpose of electing directors, until such time as all accrued and unpaid dividends on the $7.40 Preferred Stock shall have been paid in full, at which time the right of the holders of the $7.40 Preferred Stock to vote pursuant to the provisions of this clause (b) shall terminate, subject to revesting in the event of each and every subsequent default of the character and for the time above mentioned. During any period of time in which the holders of the $7.40 Preferred Stock shall have the right to elect two directors of the Corporation as herein in this clause (b) provided, the voting right conferred upon the holders of such stock by clause (a) of this paragraph (5) shall be suspended with respect to the election of directors, but shall otherwise continue in effect.

At any time when voting rights shall, pursuant to the provisions of this clause (b), be vested in the $7.40 Preferred Stock, the number of directors of the Corporation shall be not less than that number required so that two directors may be elected by the holders of the $7.40 Preferred Stock and a proper officer of the Corporation shall, upon the written request of the holders of record of at least ten percent (10%) in aggregate stated value of the $7.40 Preferred Stock then outstanding, addressed to the Secretary of the Corporation, call a special meeting of holders of the $7.40 Preferred Stock and of any other class or classes of stock having voting power with respect to the election of directors. Such meeting shall be held at the earliest practicable date at the place at which the last preceding annual meeting of the stockholders of the Corporation was held, but may be held at the time and place of the annual meeting if such annual meeting is to be held within 60 days after such voting rights shall be vested in the $7.40 Preferred Stock. If such meeting shall not be called by the proper officer of the Corporation as required within 20 days after personal service of the said written request upon the Secretary of the Corporation, or within 20 days after mailing the same within the United States of America by registered mail addressed to the Secretary of the Corporation at its principal office (such mailing to be evidenced by the registry receipt issued by the postal authorities), then the holders of record of at least ten percent (10%) in aggregate stated value of the $7.40 Preferred Stock then outstanding may designate in writing one of their number to call such meeting, and such meeting may be called by such person designated upon the notice required for annual meetings of stockholders and shall be held at the place at which the last preceding annual meeting of the stockholders of the Corporation was held. Any holder of the $7.40 Preferred Stock so designated shall have access to the stock books of the Corporation for the purpose of causing a meeting of stockholders to be called pursuant to these provisions.

At any meeting so called, and at any other meeting of stockholders held for the purpose of electing directors at which the holders of the $7.40 Preferred Stock shall have the right, voting separately and as a class, to elect directors as aforesaid, the presence in person or by proxy of one-third of the outstanding shares of the $7.40 Preferred Stock shall be required to constitute a quorum of such class for the election of any director by the holders of the $7.40 Preferred Stock voting as a class.

At any such meeting or adjournment thereof, (x) the absence of a quorum of the $7.40 Preferred Stock shall not prevent the election of directors other than those to be elected by the $7.40 Preferred Stock voting as a class and the absence of a quorum for the election of such other directors shall not prevent the election of the directors to be elected by the $7.40 Preferred Stock voting as a class, and (y) in the absence of either or both such quorums, a majority of the holders present in person or by proxy of the stock or stocks which lack a quorum shall have power to adjourn the meeting for the election of directors which they are entitled to elect from time to time without notice other than announcement at the meeting until a quorum shall be present.

The term of office of all directors in office at any time when voting power shall, as aforesaid, become vested in the $7.40 Preferred Stock shall terminate upon the election of any new directors at any meeting of stockholders called for the purpose of electing directors. Upon any termination of the right of the holders of the $7.40 Preferred Stock to vote for directors as a class as in this clause (b) provided, the term of office of all directors then in office shall terminate upon the election of new directors at a meeting of the class or classes of the Corporation then entitled to vote for directors, which meeting may be held at any time after such termination of such voting right of the $7.40 Preferred Stock, upon notice as above provided, and shall be called by the Secretary of the Corporation upon written request of the holders of record of ten percent (10%) of the aggregate number of outstanding shares of such class or classes of stock then entitled to vote for directors.

(6) Any shares of the $7.40 Preferred Stock which shall have been redeemed or otherwise acquired shall assume the status of authorized but unissued Preferred Stock and shall not be reissued as shares of the $7.40 Preferred Stock.

(7) The number of shares of $7.40 Preferred Stock may, to the extent of the Corporation's authorized and unissued Preferred Stock, be increased by further resolution duly adopted by the Board of Directors and the filing and recording of a certificate pursuant to the provisions of the General Corporation Law of the State of Delaware stating that such increase has been so authorized.

(8) No shares of Preferred Stock, in addition to the shares designated herein as $7.40 Preferred Stock shall be issued as $7.40 Preferred Stock.

IN WITNESS WHEREOF, said Tenneco Holdings, Inc. has caused this Certificate to be signed by Robert T. Blakely, as Senior Vice President, and its corporate seal to be hereunto affixed and attested by Karl A. Stewart, as Secretary, this 9th day of October, 1987.

TENNECO HOLDINGS, INC.

By: Robert T Blakely

Robert T. Blakely, *Senior Vice President*

[CORPORATE SEAL]

ATTEST:

Karl A Stewart

Karl A. Stewart, *Secretary*

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10-9-87

TENNECO HOLDINGS, INC.

Certificate of Designation, Preferences and Rights of Preferred Stock by Resolution of the Board of Directors Providing for an Issue of 803,723 Shares of Preferred Stock Designated "$4.50 Cumulative Preferred Stock"

We, Robert T. Blakely, Senior Vice President, and Karl A. Stewart, Secretary, of Tenneco Holdings, Inc. (hereinafter referred to as the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 151 thereof, do HEREBY CERTIFY:

That pursuant to authority conferred upon the Board of Directors by the Certificate of Incorporation of said Corporation, as amended (hereinafter referred to as the "Certificate of Incorporation"), said Board of Directors, by unanimous written consent, pursuant to Section 141(f) of the General Corporation Law of the State of Delaware, dated as of October 9, 1987, adopted a resolution providing for the issuance of a series of Preferred Stock, to be designated "$4.50 Cumulative Preferred Stock", which resolution is as follows:

RESOLVED, that pursuant to the authority vested in the Board of Directors of the Corporation by the Certificate of Incorporation, the Board of Directors does hereby provide for the issue of a series of Preferred Stock, without par value, of the Corporation, to be designated "$4.50 Cumulative Preferred Stock" (hereinafter referred to as the "$4.50 Preferred Stock"), consisting of 803,723 shares, and to the extent that the designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions of the $4.50 Preferred Stock are not stated and expressed in the Certificate of Incorporation, does hereby fix and herein state and express such designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions thereof, as follows (all terms used herein which are defined in the Certificate of Incorporation shall be deemed to have the meanings provided therein):

(1) (a) The dividend rate on the $4.50 Preferred Stock shall be $4.50 per annum, payable by the corporation on each 12th day of March commencing in the year 1988 (each annual dividend payment date is hereinafter referred to as an "Annual Dividend Payment Date") so long as any shares of the $4.50 Preferred Stock are outstanding, in cash in United States dollars to each holder of record of such shares.

(b) The holder of record of any share of the $4.50 Preferred Stock entitled to receive a dividend payment pursuant to the provisions of clause (1)(a) above shall be the holder of record of such shares as of the close of business on the first day of March in the year such dividend payment is to be made, as shown on the stockholder records of the Corporation.

(2) Dividends on shares of the $4.50 Preferred Stock shall accrue from, and as if issued on, March 12, 1987, except that if the number of shares of $4.50 Preferred Stock shall hereafter be increased by further resolution of the Board of Directors, dividends on such additional shares shall accrue from such other date or dates as may be fixed by the Board of Directors in such resolution.

(3) The amounts which the holders of the $4.50 Preferred Stock shall be entitled to receive in the event of a liquidation, dissolution, or winding-up of the affairs of the Corporation shall be $100.00 per share, plus in each case a sum equal to accrued and unpaid dividends to the date of payment.

(4) (a) The $4.50 Preferred Stock shall be redeemable in whole or in part at any time or from time to time at the option of the Corporation at $100.00 per share plus accrued and unpaid dividends.

(b) In the event of the redemption of only part of the $4.50 Preferred Stock at the time outstanding, the shares to be redeemed shall be selected pro rata.

(5) On or before the Annual Dividend Payment Date in the year 1999, the Corporation shall acquire (and retire) the $4.50 Preferred Stock by redemption thereof at $100.00 per share plus accrued and unpaid dividends (hereinafter referred to as the "mandatory redemption price"), or by purchase thereof in such manner as the Board of Directors may determine from time to time at a price not exceeding the mandatory redemption price thereof.

(6) At least 90 days' prior notice of any redemption of the $4.50 Preferred Stock pursuant to either clause (4) or clause (5) above shall be mailed, addressed to the holders of record of the shares to be redeemed at their respective addresses as the same shall appear on the books of the Corporation.

(7) Any shares of the $4.50 Preferred Stock which shall have been redeemed or otherwise acquired by the Corporation shall assume the status of authorized but unissued Preferred Stock and shall not be reissued as shares of the $4.50 Preferred Stock.

(8) The number of shares of $4.50 Preferred Stock may, to the extent of the Corporation's authorized and unissued Preferred Stock, be increased by further resolution duly adopted by the Board of Directors and the filing and recording of a certificate pursuant to the provisions of the General Corporation Law of the State of Delaware stating that such increase has been so authorized.

(9) No shares of Preferred Stock shall be issued as $4.50 Preferred Stock after December 31, 1987.

IN WITNESS WHEREOF, said Tenneco Holdings, Inc. has caused this Certificate to be signed by Robert T. Blakely, as Senior Vice President, and its corporate seal to be hereunto affixed and attested by Karl A. Stewart, as Secretary, this 9th day of October, 1987.

[CORPORATE SEAL]

TENNECO HOLDINGS, INC.

By: _____
Robert T. Blakely, *Senior Vice President*

ATTEST:

_____
Karl A. Stewart, *Secretary*

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12-8-87

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
TENNECO HOLDINGS, INC.

TENNECO HOLDINGS, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Company"), DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by Unanimous Written Consent dated December 7, 1987, adopted a resolution setting forth a proposed amendment to the Certificate of Incorporation of the Company, declaring said amendment to be advisable, the resolution setting forth the proposed amendment is as follows:

> RESOLVED, that the Certificate of Incorporation of the Company be amended by deleting in its entirety Article FIRST thereof, and by inserting in lieu thereof the provision hereinafter set forth so that, as amended, the said Article FIRST shall be and read as follows:
>
> > "FIRST: The name of the corporation is Tenneco Inc."
>
> ;and it is further
>
> RESOLVED, that the Certificate of Incorporation of the Company be amended by deleting in its entirety the first sentence of Article FIFTH, Subsection (A) thereof, and by inserting in lieu thereof the provision hereinafter set forth so that, as amended, the said Article FIFTH, Subsection (A) shall be and read as follows:
>
> > "The business and affairs of the corporation shall be managed by or under the direction of a Board of Directors consisting of not less than eight nor more than sixteen directors, the exact number of directors to be determined from time to time by resolution adopted by affirmative vote of a majority of the entire Board of Directors."

SECOND: That thereafter, the said Amendment has been consented to and authorized by the holder of all the issued and outstanding stock entitled to vote thereon by a written Consent given in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware and filed with the Corporation on the 7th day of December, 1987.

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THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said TENNECO HOLDINGS, INC. has caused this Certificate to be signed by M. W. Meyer, Vice President, and its corporate seal to be hereunto affixed and attested by Karl A. Stewart, Secretary, this 7th day of December, 1987.

TENNECO HOLDINGS, INC.

By: M. W. Meyer
M. W. Meyer
Vice President

ATTEST:

By: Karl A. Stewart
Karl A. Stewart,
Secretary

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5-23-88

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
TENNECO INC.

TENNECO INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Company"), DOES HEREBY CERTIFY:

FIRST: That at a meeting of the Board of Directors of the Company resolutions were adopted setting forth a proposed amendment to the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and directing that the amendment be considered at the annual meeting of the stockholders of said corporation. The resolutions setting forth the proposed amendment are as follows:

> RESOLVED, that Section 2 and Section 3 of Part I of Article FOURTH to the Company's Certificate of Incorporation providing for the payment of dividends on Preferred Stock of the Company, be, and the same hereby are, amended and restated in their entirety as follows:
>
> > "2. The holders of the Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available therefor, cumulative preferential dividends in cash, at the rate per annum fixed for such series, and no more, payable to the stockholders of record on a date fixed for the purpose by the Board of Directors in advance of payment of each particular dividend. Unless other dividend periods and dividend payment dates are fixed for any series of Preferred Stock, dividends on the Preferred Stock shall be payable quarter-yearly on the last days of March, June, September and December in each year. Dividends on shares of the Preferred Stock shall accrue from the date of issuance, or from such other date or dates as may be fixed by the Board of Directors for any series, and shall be cumulative. Each share of Preferred Stock shall rank on a parity with each other share of Preferred Stock, irrespective of series, with respect to preferential dividends at the respective rates fixed for such series, and no dividend shall be declared or paid or set apart for payment on the Preferred Stock of any series unless at the same time there shall have been theretofore or concurrently declared or paid or set apart for payment, as the case may be, a dividend in like proportion upon the Preferred Stock of each other

series in respect of all past dividend periods and any then current dividend period the payment date for which precedes or coincides with the dividend payment date for the dividend proposed to be so declared or paid or set apart for payment.

"3. So long as any shares of Preferred Stock shall remain outstanding, in no event shall any dividends whatsoever, whether in cash, stock, or otherwise, be paid or declared, or any distribution be made, on any class of stock ranking junior to the Preferred Stock, nor shall any shares of stock ranking junior to the Preferred Stock be purchased, retired or otherwise acquired for a valuable consideration by the corporation, unless all dividends on the Preferred Stock in respect of all past dividend periods shall have been paid, or declared and a sum sufficient for the payment thereof set apart, and unless there shall have been theretofore or concurrently declared or paid the full dividend thereon in respect of any then current dividend period the payment date for which precedes or coincides with the proposed date of payment or distribution on, or proposed date of purchase, retirement or acquisition of, as the case may be, any stock ranking junior to the Preferred Stock."

and it is further

RESOLVED, that the amendment to the Company's Certificate of Incorporation as set forth in the preceding resolution shall be submitted to those stockholders of the Company who are entitled under applicable law to vote on the adoption of such provisions, for their consideration at the 1988 Annual Meeting of Stockholders to be held on May 10, 1988, and that the Board of Directors does hereby declare said amendment advisable and in the best interests of the Company, and does hereby recommend that the stockholders of the Company vote in favor of such amendment; and it is further

RESOLVED, that upon the adoption by the stockholders of the Company entitled to vote thereon at the Annual Meeting of Stockholders to be held on May 10, 1988, of the amendment to the Company's Certificate of Incorporation set forth in the above resolution to be acted upon at said meeting, the officers of the Company be, and they hereby are, authorized, empowered and directed (i) to file with the Secretary of State of the State of Delaware a Certificate of Amendment of the Certificate of Incorporation of the Corporation, and (ii) to take such further action as may be deemed necessary or advisable by such officers to carry out the intent and purpose of said resolutions.

SECOND: That thereafter, pursuant to the resolution of its Board of Directors, an annual meeting of the stockholders of said corporation was duly called and held, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware, at which meeting a majority of the outstanding stock entitled to vote thereon, as required by the General Corporation Law of the State of Delaware and the Company's Certificate of Incorporation, as amended, voted in favor of the amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

FOURTH: That said amendment does not effect any change in the issued shares of the Company.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by M. W. Meyer, as Vice President, and its corporate seal to be hereunto affixed and attested by Karl A. Stewart, as Secretary, this 17th day of May, 1988.

TENNECO INC.

By: M. W. Meyer
M. W. Meyer
Vice President

TENNECO INC.
DELAWARE
CORPORATE
1987
SEAL

ATTEST:

By: Karl A. Stewart
Karl A. Stewart
Secretary

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5-25-88

CERTIFICATE OF DESIGNATION,
PREFERENCES AND RIGHTS OF SERIES A
PARTICIPATING JUNIOR PREFERRED STOCK

TENNECO INC.

Pursuant to Section 151 of the General Corporation Law
of the State of Delaware

We, J. L. Ketelsen, Chairman of the Board and Karl A. Stewart, Secretary, of Tenneco Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), in accordance with the provisions of Section 103 thereof, DO HEREBY CERTIFY:

That pursuant to the authority conferred upon the Board of Directors by the Certificate of Incorporation of the said Corporation, the said Board of Directors on May 24, 1988, adopted the following resolution creating a series of 3,500,000 shares of Junior Preferred Stock designated as Series A Participating Junior Preferred Stock:

RESOLVED, that pursuant to the authority vested in the Board of Directors of this Corporation in accordance with the provisions of its Certificate of Incorporation, a series of Junior Preferred Stock of the Corporation be and it hereby is created, and that the designation and amount thereof and the voting powers, preferences and relative, participating, optional and other special rights of the shares of such series, and the qualifications, limitations or restrictions thereof are as follows:

Section 1. Designation and Amount. The shares of such series shall be designated as "Series A Participating Junior Preferred Stock" and the number of shares constituting such series shall be 3,500,000.

Section 2. Dividends and Distributions.

(A) The dividend rate on the shares of Series A Participating Junior Preferred Stock for each quarterly dividend period (hereinafter referred to as a "quarterly dividend period"), which quarterly dividend periods shall commence on January 1, April 1, July 1 and October 1 in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date") (or in the case of original issuance, from the date of original issuance) and shall end on and include the day next preceding the first date of the next quarterly dividend period,

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shall be equal (rounded to the nearest cent) to the greater of (a) $5 or (b) subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in cash, based upon the fair market value at the time the non-cash dividend or other distribution is declared as determined in good faith by the Board of Directors) of all non-cash dividends or other distributions other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared (but not withdrawn) on the common stock, par value $5.00 per share, of this Corporation (the "Common Stock") during the immediately preceding quarterly dividend period, or, with respect to the first quarterly dividend period, since the first issuance of any share or fraction of a share of Series A Participating Junior Preferred Stock. In the event the Corporation shall at any time after May 24, 1988 (the "Rights Declaration Date") (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount to which holders of shares of Series A Participating Junior Preferred Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Participating Junior Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares of Series A Participating Junior Preferred Stock, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series A Participating Junior Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Participating Junior Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a

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record date for the determination of holders of shares of Series A Participating Junior Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be no more than 45 days prior to the date fixed for the payment thereof.

Section 3. Voting Rights. The holders of shares of Series A Participating Junior Preferred Stock shall have the following voting rights:

(A) Subject to the provision for adjustment hereinafter set forth, each share of Series A Participating Junior Preferred Stock shall entitle the holder thereof to 100 votes on all matters submitted to a vote of the stockholders of the Corporation and will vote together with the shares of Common Stock as one class on all such matters. In the event the Corporation shall at any time after the Rights Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the number of votes per share to which holders of shares of Series A Participating Junior Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) (i) If at any time dividends on any Series A Participating Junior Preferred Stock shall be in arrears in an amount equal to six quarterly dividends thereon, the holders of the Series A Participating Junior Preferred Stock, voting as a separate series from all other series of Junior Preferred Stock and classes of capital stock, shall be entitled to elect two members of the Board of Directors in addition to any Directors elected by any other series, class or classes of securities and the authorized number of Directors will automatically be increased by two. Promptly thereafter, the Board of Directors of this Corporation shall, as soon as may be practicable, call a special meeting of holders of Series A Participating Junior Preferred Stock for the purpose of electing such members of the Board of Directors. Said special meeting shall in any event be held within 45 days of the occurrence of such arrearage.

(ii) During any period when the holders of Series A Participating Junior Preferred Stock, voting as a separate series, shall be entitled and shall have exercised their right to elect two Directors, then and during such time as such right continues (a) the then authorized number of Directors shall

be increased by two, and the holders of Series A Participating Junior Preferred Stock, voting as a separate series, shall be entitled to elect the additional Director so provided for, and (b) each such additional Director shall not be a member of Class I, Class II or Class III of the Board of Directors, but shall serve until the next annual meeting of stockholders for the election of Directors, or until his successor shall be elected and shall qualify, or until his right to hold such office terminates pursuant to the provisions of this Section 3B.

(iii) A Director elected pursuant to the terms hereof may be removed with or without cause by the holders of Series A Participating Junior Preferred Stock entitled to vote in an election of such Director.

(iv) If, during any interval between annual meetings of stockholders for the election of Directors and while the holders of Series A Participating Junior Preferred Stock shall be entitled to elect two Directors, there is no such Director in office by reason of resignation, death or removal, then, promptly thereafter, the Board of Directors shall cause a special meeting of the holders of Series A Participating Junior Preferred Stock for the purpose of filling such vacancy and such vacancy shall be filled at such special meeting. Such special meeting shall in any event be held within 45 days of the occurrence of such vacancy.

(v) At such time as the arrearage is fully cured, and all dividends accumulated and unpaid on any shares of Series A Participating Junior Preferred Stock outstanding are paid, and, in addition thereto, at least one regular dividend has been paid when subsequent to curing such arrearage, the term of office of any Director elected pursuant hereto, or his successor, shall automatically terminate, and the authorized number of Directors shall automatically decrease by two, the rights of the holders of the shares of the Series A Participating Junior Preferred Stock to vote as provided in this Section shall cease, subject to renewal from time to time upon the same terms and conditions, and the holders of shares of the Series A Participating Junior Preferred Stock shall have only the limited voting rights elsewhere herein set forth.

Section 4. Required Shares. Any shares of Series A Participating Junior Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and cancelled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Junior Preferred Stock and may be reissued as part of a new series of Junior Preferred Stock to be created by resolution or resolutions of the Board of Directors, subject to the conditions and restrictions on issuance set forth herein.

Section 5. Liquidation, Dissolution or Winding Up. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of the Series A Participating Junior Preferred Stock shall be entitled to receive the greater of (a) $100 per share, plus accrued dividends to the date of distribution, whether or not earned or declared, or (b) an amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of Common Stock. In the event the Corporation shall at any time after the Rights Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount to which holders of shares of Series A Participating Junior Preferred Stock were entitled immediately prior to such event pursuant to clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction of the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

Section 6. Optional Redemption. (a) The Company shall have the option to redeem the whole or any part of the Series A Participating Junior Preferred Stock at any time at a redemption price equal to, subject to the provision for adjustment hereinafter set forth, 100 times the "current per share market price" of the Common Stock on the date of the mailing of the notice of redemption, together with unpaid accumulated dividends to the date of such redemption. In the event the Company shall at any time after June 10, 1988 (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount to which holders of shares of Series A Participating Junior Preferred Stock were otherwise entitled immediately prior to such event under the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event. The "current per share market price" on any date shall be deemed to be the average of the closing price per share of such Common Stock for the 10 consecutive Trading Days (as such term is hereinafter defined) immediately prior to such date. The closing price for each day shall be the last sale price, regular way, or, in case no such

sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Common Stock is not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the principal national securities exchange on which the Common Stock is listed or admitted to trading or, if the Common Stock is not listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotation System ("NASDAQ") or such other system then in use or, if on any such date the Common Stock is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Common Stock selected by the Board of Directors of the Company. If on such date no such market maker is making a market in the Common Stock, the fair value of the Common Stock on such date as determined in good faith by the Board of Directors of the Company shall be used. The term "Trading Day" shall mean a day on which the principal national securities exchange on which the Common Stock is listed or admitted to trading is open for the transaction of business or, if the Common Stock is not listed or admitted to trading on any national securities exchange, a Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions in the State of New York are not authorized or obligated by law or executive order to close.

(b) Notice of any such redemption shall be given by mailing to the holders of the Series A Participating Junior Preferred Stock a notice of such redemption, first class postage prepaid, not later than the thirtieth day and not earlier than the sixtieth day before the date fixed for redemption, at their last address as the same shall appear upon the books of the Company. Any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the shareholder received such notice, and failure duly to give such notice by mail, or any defect in such notice, to any holder of Series A Participating Junior Preferred Stock shall not affect the validity of the proceedings for the redemption of such Series A Participating Junior Preferred Stock. If less than all the outstanding shares of Series A Participating Junior Preferred Stock are to be redeemed, the redemption shall be made by lot as determined by the Board of Directors.

(c) The notice of redemption to each holder of Series A Participating Junior Preferred Stock shall specify (a) the number of shares of Series A Participating Junior Preferred Stock of such holder to be redeemed, (b) the date fixed for redemption, (c) the redemption price and (d) the place of payment of the redemption price.

(d) If any such notice of redemption shall have been duly given or if the Company shall have given to the bank or trust company hereinafter referred to irrevocable written authorization promptly to give or complete such notice, and if on or before the redemption date specified therein the funds necessary for such redemption shall have been deposited by the Company with the bank or trust company designated in such notice, doing business in the City of Houston, State of Texas, and having a capital, surplus and undivided profits aggregating at least $25,000,000 according to its last published statement of condition, in trust for the benefit of the holders of Series A Participating Junior Preferred Stock called for redemption, then, notwithstanding that any certificate for such shares so called for redemption shall not have been surrendered for cancellation, from and after the time of such deposit all such shares called for redemption shall no longer be deemed outstanding and all rights with respect to such shares shall no longer be deemed outstanding and shall forthwith cease and terminate, except the right of the holders thereof to receive from such bank or trust company at any time after the time of such deposit the funds so deposited, without interest, and the right to exercise, up to the close of business on the fifth day before the date fixed for redemption. In case less than all the shares represented by any surrendered certificate are redeemed, a new certificate shall be issued representing the unredeemed shares. Any interest accrued on such funds shall be paid to the Company from time to time. Any funds so deposited and unclaimed at the end of six years from such redemption date shall be repaid to the Company, after which the holders of shares of Series A Participating Junior Preferred Stock called for redemption shall look only to the Company for payment thereof.

Section 7. Fractional Shares. Series A Participating Junior Preferred Stock may be issued in fractions of a share that shall entitle the holder, in proportion to such holders fractional shares, to exercise voting rights, receive dividends, participate in distributions and to have the benefit of all other rights of holders of Series A Participating Junior Preferred Stock.

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IN WITNESS WHEREOF, we have executed and subscribed this Certificate and do affirm the foregoing as true under the penalties of perjury as of the 24th day of May, 1988.

J. L. KETELSEN
J. L. Ketelsen
Chairman of the Board

[CORPORATE SEAL]

Attest:

K. A. STEWART
K. A. Stewart
Secretary

687p

2/27/89

TENNECO INC.

CERTIFICATE OF RETIREMENT OF PREFERRED STOCK

REDEEMED OR PURCHASED

Tenneco Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY as follows:

FIRST: That pursuant to the provisions of Section 160 of the General Corporation Law of the State of Delaware, and subject to the provisions of its Certificate of Incorporation, as amended, One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares of its issued and outstanding $7.40 Cumulative Preferred Stock were purchased and/or redeemed by the corporation and pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, such shares of stock have the status of retired shares.

SECOND: That the Certificate of Incorporation of the corporation prohibits the reissuance of such retired shares of Cumulative Preferred Stock.

THIRD: That pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, upon this Certificate becoming effective, the Certificate of Incorporation of the corporation shall be amended so that the authorized Cumulative Preferred Stock of the corporation shall be reduced by the aggregate of the shares so retired, to-wit: One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares.

FOURTH: That this Certificate of Retirement shall be effective on March 1, 1989.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by Peter Menikoff, a Vice President, and attested by Karl A. Stewart, Secretary, this 21st day of February, A.D., 1989.

TENNECO INC.
DELAWARE
CORPORATE
1987
SEAL

TENNECO INC.

Peter Menikoff
Vice President

ATTEST:

Karl A. Stewart
Secretary

2329P

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TENNECO INC.

2-23-9

CERTIFICATE OF RETIREMENT OF PREFERRED STOCK

REDEEMED OR PURCHASED

Tenneco Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY as follows:

FIRST: That pursuant to the provisions of Section 160 of the General Corporation Law of the State of Delaware, and subject to the provisions of its Certificate of Incorporation, as amended, One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares of its issued and outstanding $7.40 Cumulative Preferred Stock were purchased and/or redeemed by the corporation and pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, such shares of stock have the status of retired shares.

SECOND: That the Certificate of Incorporation of the corporation prohibits the reissuance of such retired shares of Cumulative Preferred Stock.

THIRD: That pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, upon this Certificate becoming effective, the Certificate of Incorporation of the corporation shall be amended so that the authorized Cumulative Preferred Stock of the corporation shall be reduced by the aggregate of the shares so retired, to-wit: One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares.

FOURTH: That this Certificate of Retirement shall be effective on March 1, 1990.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by Peter Menikoff, a Vice President and Treasurer, and attested by Karl A. Stewart, Secretary, this 21st day of February, A.D., 1990.

TENNECO INC.
DELAWARE
CORPORATE
1987
SEAL

TENNECO INC.

Vice President and Treasurer

ATTEST:

Secretary

2329P

847670059

3/25/91

TENNECO INC.

CERTIFICATE OF RETIREMENT OF PREFERRED STOCK

REDEEMED OR PURCHASED

Tenneco Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY as follows:

FIRST: That pursuant to the provisions of Section 160 of the General Corporation Law of the State of Delaware, and subject to the provisions of its Certificate of Incorporation, as amended, One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares of its issued and outstanding $7.40 Cumulative Preferred Stock were purchased and/or redeemed by the corporation and pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, such shares of stock have the status of retired shares.

SECOND: That the Certificate of Incorporation of the corporation prohibits the reissuance of such retired shares of Cumulative Preferred Stock.

THIRD: That pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, upon this Certificate becoming effective, the Certificate of Incorporation of the corporation shall be amended so that the authorized Cumulative Preferred Stock of the corporation shall be reduced by the aggregate of the shares so retired, to-wit: One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares.

FOURTH: This Certificate shall become effective on March 1, 1991.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by Peter Menikoff, a Vice President and Treasurer, and attested by Karl A. Stewart, Secretary, this 21st day of February, 1991.

TENNECO INC.

BY: Peter Menikoff

Peter Menikoff, Vice President and Treasurer

ATTEST:

Karl A. Stewart

Karl A. Stewart, Secretary

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04-200.ANN

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 01:00 PM 12/19/1991
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TENNECO INC.

Certificate of Designation, Preferences and Rights of Preferred Stock by Resolutions of the Board of Directors Providing for an Issue of 10,062,500 Shares of Preferred Stock Designated "Series A Cumulative Preferred Stock"

We, Robert T. Blakely, Senior Vice President, and Karl A. Stewart, Secretary, of Tenneco Inc. (hereinafter referred to as the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 151 thereof, DO HEREBY CERTIFY:

That pursuant to authority conferred upon the Board of Directors by the Certificate of Incorporation of said Corporation, as amended (hereinafter referred to as the "Certificate of Incorporation"), the Board of Directors is authorized to issue Preferred Stock, without par value, of the Corporation in one or more series, and the Board of Directors (i) has authorized the issuance of the series of Preferred Stock hereinafter provided for, (ii) has authorized a special committee of the Board of Directors (hereinafter referred to as the "Stock Issuance Committee") to adopt the resolution set forth below creating a series of 10,062,500 shares of Preferred Stock, without par value, designated as Series A Cumulative Preferred Stock and (iii) has adopted the immediately following resolution granting voting rights to the holders of such series of Preferred Stock in addition to the voting rights granted to holders of Preferred Stock by the Certificate of Incorporation:

RESOLVED, that the series of Preferred Stock that the Stock Issuance Committee has been authorized by the Board of Directors to create (hereinafter called "Preferred Stock of Such Series") shall have the following voting rights in addition to the voting rights granted to holders of Preferred Stock by the Certificate of Incorporation:

Whenever, at any time or times, dividends payable on the Preferred Stock of Such Series shall be in arrears in an aggregate amount equivalent to six full quarter-yearly dividends (in determining the amount of dividends in arrears, the full amount of the quarter-yearly dividend shall be included for each quarter-yearly dividend which was not paid in full), the holders of outstanding Preferred Stock of Such Series shall have the exclusive right, voting separately and as a class, to elect two directors of the Corporation and the remaining directors shall be elected by the holders of the class or classes of stock entitled to vote therefor at each meeting of the stockholders held for the purpose of electing directors, until such time as all accrued and unpaid dividends on the Preferred Stock of Such Series shall have been paid in full, at which time the right of the holders of the Preferred Stock of Such Series to vote pursuant to the provisions of this resolution shall terminate, subject to revesting in the event of each and every subsequent default of the character and for the time above mentioned.

At any time when voting rights shall, pursuant to the provisions of this resolution, be vested in the Preferred Stock of Such Series, the number of directors of the Corporation shall be not less than that number required so that two directors may be elected by the holders of the Preferred Stock of Such Series and a proper officer of the Corporation shall, upon the written request of the holders of record of at least ten percent in aggregate stated value of the Preferred Stock of Such Series then outstanding, addressed to the Secretary of the Corporation, call a special meeting of holders of the Preferred Stock of Such Series and of any other class or classes of stock having voting power with respect to the election of directors. Such meeting shall be held at the earliest practicable date at the place at which the last preceding annual meeting of the stockholders of the Corporation was held, but may be held at the time

and place of the annual meeting if such annual meeting is to be held within 60 days after such voting rights shall be vested in the Preferred Stock of Such Series. If such meeting shall not be called by the proper officer of the Corporation as required within 20 days after personal service of the said written request upon the Secretary of the Corporation, or within 20 days after mailing the same within the United States of America by registered mail addressed to the Secretary of the Corporation at its principal office (such mailing to be evidenced by the registry receipt issued by the postal authorities), then the holders of record of at least ten percent of the aggregate stated value of the Preferred Stock of Such Series then outstanding may designate in writing one of their number to call such meeting, and such meeting may be called by such person designated upon the notice required for annual meetings of stockholders and shall be held at the place at which the last preceding annual meeting of the stockholders of the Corporation was held. Any holder of the Preferred Stock of Such Series so designated shall have access to the stock books of the Corporation for the purpose of causing a meeting of stockholders to be called pursuant to these provisions.

At any meeting so called, and at any other meeting of stockholders held for the purpose of electing directors at which the holders of the Preferred Stock of Such Series shall have the right, voting separately and as a class, to elect directors as aforesaid, the presence in person or by proxy of a majority of the outstanding shares of the Preferred Stock of Such Series shall be required to constitute a quorum of such class for the election of any director by the holders of the Preferred Stock of Such Series voting as a class.

At any such meeting or adjournment thereof, (x) the absence of a quorum of the Preferred Stock of Such Series shall not prevent the election of directors other than those to be elected by the Preferred Stock of Such Series voting as a class and the absence of a quorum for the election of such other directors shall not prevent the election of the directors to be elected by the Preferred Stock of Such Series voting as a class, and (y) in the absence of either or both such quorums, a majority of the holders present in person or by proxy of the stock or stocks which lack a quorum shall have power to adjourn the meeting for the election of directors which they are entitled to elect from time to time without notice other than announcement at the meeting until a quorum shall be present.

Upon any termination of the right of the holders of the Preferred Stock of Such Series to vote for directors as a class as herein provided, the term of office of the directors so elected by the holders of the Preferred Stock of Such Series shall terminate and the number of directors shall be reduced accordingly.

and that the Stock Issuance Committee has adopted the following resolution creating a series of 10,062,500 shares of Preferred Stock, without par value, designated as Series A Cumulative Preferred Stock:

RESOLVED, that pursuant to the authority vested in the Board of Directors of the Corporation by the Certificate of Incorporation and the authority vested by such Board in a Stock Issuance Committee, all of the members of which are members of such Board, a series of Preferred Stock, without par value, of the Corporation be, and hereby is created, to be designated "Series A Cumulative Preferred Stock" (hereinafter referred to as the "Series A Preferred Stock"), consisting of 10,062,500 shares, and to the extent that the designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions of the Series A Preferred Stock are not stated and expressed in the Certificate of Incorporation or in resolutions adopted by the Board of Directors of the Corporation, such designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions thereof, are hereby fixed and stated to be as follows (all terms used herein which are defined in the Certificate of Incorporation shall be deemed to have the meanings provided therein):

Section 1. *Dividends.* The dividend rate on the Series A Preferred Stock shall be $5.60 per annum ($1.40 per quarter-year). Dividends on shares of the Series A Preferred Stock shall accrue on a daily basis from December 24, 1991 to and including the Final Conversion Date (as defined in Section 2) or such earlier date on which such shares are converted as provided herein. The first dividend payment

will be for the period from December 24, 1991 to and including March 31, 1992. Dividends payable on the Series A Preferred Stock for any period shorter than a quarter-yearly dividend period shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 2. *Conversions.* (a) *Final Conversion.* Unless earlier converted in accordance with the provisions hereof, on December 31, 1994 (the "Final Conversion Date"), all outstanding shares of Series A Preferred Stock shall be converted automatically into, through the issue by the Corporation in the manner provided hereinafter of, fully paid and non-assessable shares of Common Stock. On such date, each holder of shares of Series A Preferred Stock, upon conversion of the Series A Preferred Stock, shall:

(i) receive the number of shares of Common Stock equal to the product of the Common Equivalent Rate (determined as provided in paragraph (d) of this Section 2) in effect on the Final Conversion Date multiplied by the number of shares of Series A Preferred Stock owned by such holder; and

(ii) be entitled to receive an amount in cash equal to all accrued and unpaid dividends to and including the Final Conversion Date, whether or not earned or declared, out of funds legally available therefor.

(b) *Upon Certain Mergers or Consolidations or Other Events.* Upon either:

(1) immediately prior to the effectiveness of a merger or consolidation of the Corporation that results in the conversion or exchange of the Common Stock into the right to receive other securities or other property (whether of the Corporation or any other entity) (any such merger or consolidation is referred to herein as a "Merger or Consolidation"), or

(2) immediately prior to the close of business on the business day immediately preceding the Distribution Date (as defined in clause (iv) of paragraph (h) of this Section 2) (the occurrence of the Distribution Date is referred to herein as the "Distribution Date Event"),

then, in either event each outstanding share of Series A Preferred Stock shall be converted automatically into the following:

(i) one share of Common Stock multiplied by the Common Equivalent Rate in effect on the effective date of a Merger or Consolidation or on such business day immediately preceding the Distribution Date, as the case may be; plus

(ii) the right to receive an amount in cash equal to all accrued and unpaid dividends, out of funds legally available therefor, on such share of Series A Preferred Stock to and including the Settlement Date (as defined in clause (vi) of paragraph (h) of this Section 2) (and dividends shall cease to accrue as of the Settlement Date); plus

(iii) the right to receive an amount in cash initially equal to $7.20, reduced by $0.006624 on each day from December 24, 1991 (computed on the basis of a 360-day year of twelve 30-day months) to and including October 31, 1994, and equal to zero thereafter, in each case to and including the Settlement Date, unless sooner converted.

At the option of the Corporation, it may deliver on the Settlement Date, in lieu of the cash consideration described in clauses (ii) and (iii) of the preceding sentence, a number of shares of Common Stock equal to one times a fraction, the numerator of which is the amount of cash consideration described in such clauses (ii) and (iii) and the denominator of which is the Current Market Price of the Common Stock determined, in the case of a Merger or Consolidation, as of the second Trading Date immediately preceding the Notice Date and, in the case of a Distribution Date Event, as of the second Trading Date immediately preceding the Distribution Date.

Such option may be exercised by the Corporation in whole or in part with respect to the outstanding Series A Preferred Stock.

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(c) *Right to Call for Conversion.* At any time and from time to time prior to the Final Conversion Date, the Corporation shall have the right to call, in whole or in part, the outstanding shares of Series A Preferred Stock for conversion into shares of Common Stock (subject to the notice provisions set forth in paragraph (i) of this Section 2) and to deliver to the holders thereof in exchange for each such share called for conversion, a number of shares of Common Stock equal to one times a fraction, the numerator of which is the Call Price (as defined in paragraph (h) of this Section 2) on the conversion date and the denominator of which is the Current Market Price (as defined in clause (v) of paragraph (d) of this Section 2) of the Common Stock determined as of the second Trading Date preceding the Notice Date, plus in each case an amount in cash equal to accrued and unpaid dividends to and including the date of conversion.

(d) *Common Equivalent Rate; Adjustments.* The Common Equivalent Rate to be used to determine the number of shares of Common Stock to be delivered on the conversion of the Series A Preferred Stock into shares of Common Stock pursuant to paragraphs (a) and (b) of this Section 2 shall be initially two shares of Common Stock for each share of Series A Preferred Stock; provided, however, that such Common Equivalent Rate shall be subject to adjustment from time to time as provided below in this paragraph (d). All adjustments to the Common Equivalent Rate shall be calculated to the nearest 1/100th of a share of Common Stock. Such rate in effect at any time is herein called the "Common Equivalent Rate."

(i) If the Corporation shall either:

(1) pay a dividend or make a distribution with respect to Common Stock in shares of Common Stock,

(2) subdivide or split its outstanding shares of Common Stock,

(3) combine its outstanding shares of Common Stock into a smaller number of shares, or

(4) issue by reclassification of its shares of Common Stock any shares of common stock of the Corporation

then, in any such event, the Common Equivalent Rate in effect immediately prior thereto shall be adjusted so that the holder of a share of the Series A Preferred Stock shall be entitled to receive on the conversion of such share of the Series A Preferred Stock, the number of shares of Common Stock of the Corporation which such holder would have owned or been entitled to receive after the happening of any of the events described above had such shares of the Series A Preferred Stock been surrendered for conversion at the Common Equivalent Rate in effect immediately prior to such time. Such adjustment shall become effective at the opening of business on the business day next following the record date for determination of stockholders entitled to receive such dividend or distribution in the case of a dividend or distribution and shall become effective immediately after the effective date in case of a subdivision, combination or reclassification; and any shares of Common Stock issuable in payment of a dividend shall be deemed to have been issued immediately prior to the close of business on the record date for such dividend for purposes of calculating the number of outstanding shares of Common Stock under clauses (ii) and (iii) below.

(ii) If the Corporation shall issue rights or warrants to all holders of its Common Stock entitling them (for a period not exceeding 45 days from the date of such issuance) to subscribe for or purchase shares of Common Stock at a price per share less than the Current Market Price per share (determined pursuant to clause (v) below) of the Common Stock on the record date for the determination of stockholders entitled to receive such rights or warrants, then in each case the Common Equivalent Rate shall be adjusted by multiplying the Common Equivalent Rate in effect immediately prior thereto by a fraction, of which the numerator shall be the number of shares of Common Stock outstanding on the date of issuance of such rights or warrants, immediately prior to such issuance, plus the number of additional shares of Common Stock offered for subscription or purchase, and of which the denominator shall be the number of shares of Common Stock outstanding on the date of issuance of such rights or warrants, immediately prior to such issuance, plus the number of shares which the aggregate offering

price of the total number of shares so offered for subscription or purchase would purchase at such Current Market Price (determined by multiplying such total number of shares by the exercise price of such rights or warrants and dividing the product so obtained by such Current Market Price). Shares of Common Stock owned by the Corporation or by another corporation of which a majority of the shares entitled to vote in the election of directors are held, directly or indirectly, by the Corporation shall not be deemed to be outstanding for purposes of such computation. Such adjustment shall become effective at the opening of business on the business day next following the record date for the determination of stockholders entitled to receive such rights or warrants. To the extent that shares of Common Stock are not delivered after the expiration of such rights or warrants, the Common Equivalent Rate shall be readjusted to the Common Equivalent Rate which would then be in effect had the adjustments made upon the issuance of such rights or warrants been made upon the basis of delivery of only the number of shares of Common Stock actually delivered.

(iii) If the Corporation shall pay a dividend or make a distribution to all holders of its Common Stock of evidence of its indebtedness or other assets (including shares of capital stock but excluding any cash dividends or distributions and dividends referred to in clause (i) above), or shall distribute to all holders of its Common Stock rights or warrants to subscribe for or purchase securities of the Corporation or any of its subsidiaries (other than those referred to in clause (ii) above), then in each such case the Common Equivalent Rate shall be adjusted by multiplying the Common Equivalent Rate in effect immediately prior to the date of such distribution by a fraction, of which the numerator shall be the Current Market Price per share of Common Stock (determined pursuant to clause (v) below) on the record date mentioned below, and of which the denominator shall be such Current Market Price per share of Common Stock less the then fair market value (as determined by the Board of Directors of the Corporation, whose determination shall be conclusive) as of such record date of the portion of the assets or evidences of indebtedness so distributed, or of such subscription rights or warrants, applicable to one share of Common Stock. Such adjustment shall become effective on the opening of business on the business day next following the record date for the determination of stockholders entitled to receive such distribution.

(iv) Anything in this Section 2 notwithstanding, the Corporation shall be entitled to make such increases in the Common Equivalent Rate, in addition to those required by this Section 2, as it in its discretion shall determine to be advisable in order that any stock dividends, subdivision of shares, distribution of rights to purchase stock or securities, or a distribution of securities convertible into or exchangeable for stock (or any transaction which could be treated as any of the foregoing transactions pursuant to Section 305 of the Internal Revenue Code of 1986, as amended) hereafter made by the Corporation to its stockholders shall not be taxable. No adjustment in the Common Equivalent Rate shall be made as a result of the rights issued in connection with the Rights Agreement (as defined in clause (iv) of paragraph (h) of this Section 2).

(v) As used in this Section 2, the Current Market Price per share of Common Stock on any date shall be the average of the daily Closing Prices for the five consecutive Trading Dates ending on the date of determination of the Current Market Price (appropriately adjusted to take into account the occurrence during such five-day period of any event that results in an adjustment of the Common Equivalent Rate); provided, however, that if the Closing Price for the Trading Date next succeeding such five-day period (the "next-day closing price") is less than 95% of such five-day average, then the Current Market Price per share of Common Stock on such date of determination shall be the next-day closing price.

(vi) In any case in which paragraph (d) of this Section 2 shall require that an adjustment as a result of any event become effective at the opening of business on the business day next following a record date and the date fixed for conversion pursuant to paragraph (a) or (c) of this Section 2 occurs after such record date, but before the occurrence of such event, the Corporation may in its sole discretion elect to defer the following until after the occurrence of such event:

(1) issuing to the holder of any shares of the Series A Preferred Stock surrendered for conversion the additional shares of Common Stock issuable upon such conversion over and above

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the shares of Common Stock issuable upon such conversion on the basis of the Common Equivalent Rate prior to adjustment; and

(2) paying to such holder any amount in cash in lieu of a fractional share of Common Stock pursuant to paragraph (f) of this Section 2.

(e) *Notice of Adjustments.* Whenever the Common Equivalent Rate is adjusted as herein provided the Corporation shall:

(i) forthwith compute the adjusted Common Equivalent Rate in accordance with this Section 2 and prepare a certificate signed by the Chief Executive Officer, the President or any Vice President of the Corporation setting forth the adjusted Common Equivalent Rate, the method of calculation thereof in reasonable detail and the facts requiring such adjustment and upon which such adjustment is based, and file such certificate forthwith with the transfer agent or agents for the Series A Preferred Stock and the Common Stock; and

(ii) mail a notice stating that the Common Equivalent Rate has been adjusted, the facts requiring such adjustment and upon which such adjustment is based and setting forth the adjusted Common Equivalent Rate to the holders of record of the outstanding shares of the Series A Preferred Stock at or prior to the time the Corporation mails an interim statement to its stockholders covering the quarter-yearly period during which the facts requiring such adjustment occurred, but in any event within 45 days of the end of such quarter.

(f) *No Fractional Shares.* No fractional shares of Common Stock shall be issued upon conversion of shares of the Series A Preferred Stock but, in lieu of any fraction of a share of Common Stock which would otherwise be issuable in respect of the aggregate number of shares of the Series A Preferred Stock surrendered by the same holder for conversion on any conversion date, the holders shall have the right to receive in lieu of such fraction an amount in cash equal to the same fraction of the Current Market Price of the Common Stock determined, in the case of any conversion other than a conversion in connection with a Distribution Date Event, as of the second Trading Date immediately preceding the relevant Notice Date and, in the case of a conversion in connection with a Distribution Date Event, as of the second Trading Date immediately preceding the Distribution Date.

(g) *Cancellation.* All shares of Series A Preferred Stock which shall have been converted or exchanged for shares of Common Stock or which shall have been purchased or otherwise acquired by the Corporation shall assume the status of authorized but unissued shares of Preferred Stock undesignated as to series.

(h) *Definitions.* As used in this Section 2,

(i) the term "business day" shall have the same meaning set forth in the Rights Agreement (as defined in subparagraph (iv) of this paragraph (h));

(ii) the term "Call Price" shall mean the per share price, which shall be initially $92.70, reduced by $0.006624 on each day from December 24, 1991 (computed on the basis of a 360-day year of twelve 30-day months) to and including October 31, 1994 and to $85.50 thereafter, if not sooner converted;

(iii) the term "Closing Price" on any day shall mean the closing sales price regular way on such day or, in case no such sale takes place on such day, the average of the reported closing bid and asked prices regular way, in each case on the New York Stock Exchange, or, if the Common Stock is not listed or admitted to trading on such Exchange, on the principal national securities exchange on which the Common Stock is listed or admitted to trading, or, if not listed or admitted to trading on any national securities exchange, the average of the closing bid and asked prices of the Common Stock on the over-the-counter market on the day in question as reported by the National Quotation Bureau Incorporated, or a similarly generally accepted reporting service, or if not so available in such manner as furnished by any New York Stock Exchange member firm selected from time to time by the Board of Directors of the Corporation for that purpose;

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(iv) the term "Distribution Date" shall have the meaning set forth in the Rights Agreement dated as of May 24, 1988, as amended and restated as of October 1, 1989 between the Corporation and First Chicago Trust Company of New York, as Rights Agent, as the same may be further amended, modified or supplemented (the "Rights Agreement");

(v) the term "Notice Date" with respect to any notice given by the Corporation in connection with a conversion of any of the Series A Preferred Stock shall be the date of the commencement of the mailing of such notice to the holders of Series A Preferred Stock or the date such notice is first published in accordance with paragraph (i) of this Section 2; and

(vi) the term "Settlement Date" shall mean the following:

(x) with respect to a Distribution Date Event, the business day immediately preceding the Distribution Date, and

(y) with respect to a Merger or Consolidation, immediately prior to the effective time of the Merger or Consolidation; and

(vii) the term "Trading Date" shall mean a date on which the New York Stock Exchange (or any successor to such Exchange) is open for the transaction of business.

(i) *Notice of Conversion.* The Corporation will provide notice of any conversion (including any potential conversion described in paragraph (b) of this Section 2) of shares of Series A Preferred Stock to holders of record of the Series A Preferred Stock to be converted not less than 30 nor more than 60 days prior to the date fixed for conversion (including the effective date of any applicable Merger or Consolidation defined in clause (1) of paragraph (b) of this Section 2); provided, however, that such notice need only be given in the case of a potential Distribution Date Event not less than seven business days prior to any Distribution Date but not less than 30 days prior to the Settlement Date if the Corporation elects to deliver cash pursuant to clauses (ii) or (iii) of paragraph (b) of Section 2. Such notice will be provided by mailing notice of such conversion, first class postage prepaid, to the holders of record of the Series A Preferred Stock to be converted, at such holder's address as it appears on the stock register of the Corporation. In addition, such notice may be given by publishing notice thereof in *The Wall Street Journal* or *The New York Times*, or, if neither such newspaper is then being published, any other daily newspaper of national circulation (each, an "Authorized Newspaper"). In the case of notice of conversion upon a potential Distribution Date Event, upon such notice by mail, the Corporation shall also publish notice of such conversion promptly in an Authorized Newspaper. Each such mailed or published notice shall state, as appropriate, the following:

(i) the conversion date; provided, however, that, in the case of a potential Distribution Date Event, the notice need only specify the earliest anticipated conversion date and that the Distribution Date may not occur;

(ii) the number of shares of Series A Preferred Stock to be converted and, if less than all the shares held by such holder are to be converted, the number of such shares to be converted from such holder;

(iii) the Call Price (in the case of an optional conversion pursuant to paragraph (c) of this Section 2) and the number of shares of Common Stock deliverable and the amount of accrued dividends payable upon conversion;

(iv) the place or places where certificates for such shares are to be surrendered for conversion; and

(v) that dividends on the shares of Series A Preferred Stock to be converted will cease to accrue on such conversion date unless the corporation shall default in providing the shares of Common Stock and any funds necessary for the conversion at the time and place specified in such notice.

In the event, following the giving of a notice in connection with a potential Distribution Date Event, the rights issued under the Rights Agreement are redeemed or expire or the occurrence of a Distribution Date as a result of the event which gave rise to the giving of such notice will not occur, a notice to such effect shall promptly be given to the holders of Series A Preferred Stock.

The Corporation's obligation to deliver shares of Common Stock and provide funds in accordance with this Section 2 shall be deemed fulfilled if, on or before the conversion date, the Corporation shall deposit, with (a) a corporation organized and doing business under the laws of the United States or of the States of New York or Texas (or of any other state of the United States so long as such corporation is authorized to do business as a banking institution in the States of New York or Texas), in good standing, having a principal office in the States of New York or Texas, which is authorized under such laws to exercise corporate trust or stock transfer powers and is subject to supervision or examination and which has at the time of such deposit a combined capital and surplus of at least $50,000,000 or (b) an affiliate of a corporation described in clause (a) of this sentence, shares of Common Stock for conversion (including the payment of fractional share amounts), together with shares of Common Stock or funds sufficient to pay all accrued and unpaid dividends and amounts to be paid under Section 2(b)(iii) on the shares to be converted as required by this Section 2, in trust for the account of the holders of the shares to be converted (and so as to be and continue to be available therefor), with irrevocable instructions and authority to such corporation that such shares and funds be delivered upon conversion of the shares of Series A Preferred Stock so called for conversion. Any interest accrued on such funds shall be paid to the Corporation from time to time. Any shares of Common Stock or funds so deposited and unclaimed at the end of three years from such conversion date shall be repaid and released to the Corporation, after which the holder or holders of such shares of Series A Preferred Stock so called for conversion shall look only to the Corporation for delivery of shares of Common Stock following such surrender and the date of conversion. Each holder of shares of Series A Preferred Stock called for conversion shall surrender the certificates evidencing such shares to the Corporation at a place designated in such notice and shall thereupon be entitled to receive certificates evidencing shares of Common Stock. In case less than all the shares represented by any such surrendered certificate are converted, a new certificate shall be issued at the expense of the Corporation representing the unconverted shares. If notice of conversion shall have been duly given by publication in an Authorized Newspaper at least 30 days prior to the Settlement Date, and if on the date fixed for conversion shares of Common Stock and any funds necessary for the conversion shall have been either set aside by the Corporation separate and apart from its other funds or assets in trust for the account of the holders of the shares so to be converted (and so as to be and continue to be available therefor) or deposited with a corporation as provided above, then, notwithstanding that the certificates evidencing any shares of Series A Preferred Stock so called for conversion shall not have been surrendered, the shares represented thereby so called for conversion shall be deemed no longer outstanding, dividends with respect to the shares so called for conversion shall cease to accrue after the date fixed for conversion and all rights with respect to the shares so called for conversion shall forthwith after such date cease and terminate, except for the right of the holders to receive the shares of Common Stock (and any funds required by this Section 2) without interest upon surrender of their certificates therefor. If less than all the outstanding shares of Series A Preferred Stock are to be called for conversion, shares to be converted shall be selected by the Corporation from outstanding shares of Series A Preferred Stock not previously converted by lot or pro rata (as nearly as may be) or by any other equitable method determined by the Board of Directors of the Corporation.

Section 3. *Liquidation Rights.* The amount which the holders of Series A Preferred Stock shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the Corporation, whether voluntary or involuntary (collectively, a "Liquidation"), shall be $59.00 per share plus accrued and unpaid dividends to the date of Liquidation, and no more. After such amount is paid in full, no further distributions or payments shall be made in respect of shares of Series A Preferred Stock, such shares of Series A Preferred Stock shall no longer be deemed to be outstanding or be entitled to any privilege of exchange or conversion or to any other powers, preferences, rights or privileges, including voting rights, and such shares of Series A Preferred Stock shall be surrendered for cancellation to the Corporation.

Section 4. *Voting Rights.* Except as otherwise provided in the Certificate of Incorporation or in resolutions adopted by the Board of Directors of the Corporation or as required by law, the holders of shares of Series A Preferred Stock shall not be entitled to vote on any matter on which the holders of any voting securities of the Corporation shall be entitled to vote.

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Section 5. *Increase in Shares.* The number of shares of Series A Preferred Stock may, to the extent of the Corporation's authorized and unissued Preferred Stock, be increased by further resolution duly adopted by the Board of Directors and the filing and recording of a certificate pursuant to the provisions of the General Corporation Law of the State of Delaware stating that such increase has been so authorized.

Section 6. *Issuance of Additional Shares.* No shares of Series A Preferred Stock, in addition to the shares designated herein as Series A Preferred Stock, shall be issued as Series A Preferred Stock after March 31, 1992.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by Robert T. Blakely, as Senior Vice President, and its corporate seal to be hereunto affixed and attested by Karl A. Stewart, as Secretary, this 19th day of December, 1991.

TENNECO INC.

By: Robert T. Blakely

Robert T. Blakely
Senior Vice President

[CORPORATE SEAL]

ATTEST:

Karl A. Stewart

Karl A. Stewart, *Secretary*

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TENNECO INC.

2-27-92

CERTIFICATE OF RETIREMENT OF PREFERRED STOCK

REDEEMED OR PURCHASED

Tenneco Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY as follows:

FIRST: That pursuant to the provisions of Section 160 of the General Corporation Law of the State of Delaware, and subject to the provisions of its Certificate of Incorporation, as amended, One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares of its issued and outstanding $7.40 Cumulative Preferred Stock were purchased and/or redeemed by the corporation and pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, such shares of stock have the status of retired shares.

SECOND: That the Certificate of Incorporation of the corporation prohibits the reissuance of such retired shares of Cumulative Preferred Stock.

THIRD: That pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, upon this Certificate becoming effective, the Certificate of Incorporation of the corporation shall be amended so that the authorized Cumulative Preferred Stock of the corporation shall be reduced by the aggregate of the shares so retired, to-wit: One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares.

FOURTH: This Certificate shall become effective on March 1, 1992.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by E. J. Milan, Vice President and Controller, and attested by Karl A. Stewart, Secretary, this 21st day of February, 1992.

TENNECO INC.

BY: E. J. Milan

E. J. Milan, Vice President
and Controller

ATTEST:

Karl A. Stewart

Karl A. Stewart, Secretary

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STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 10:00 AM 02/23/1993
723054046 - 2140052

TENNECO INC.

CERTIFICATE OF RETIREMENT OF PREFERRED STOCK

REDEEMED OR PURCHASED

Tenneco Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY as follows:

FIRST: That pursuant to the provisions of Section 160 of the General Corporation Law of the State of Delaware, and subject to the provisions of its Certificate of Incorporation, as amended, One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares of its issued and outstanding $7.40 Cumulative Preferred Stock were purchased and/or redeemed by the corporation and pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, such shares of stock have the status of retired shares.

SECOND: That the Certificate of Incorporation of the corporation prohibits the reissuance of such retired shares of Cumulative Preferred Stock.

THIRD: That pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, upon this Certificate becoming effective, the Certificate of Incorporation of the corporation shall be amended so that the authorized Cumulative Preferred Stock of the corporation shall be reduced by the aggregate of the shares so retired, to-wit: One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares.

FOURTH: This Certificate shall become effective on March 1, 1993.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by E. J. Milan, Vice President and Controller, and attested by Karl A. Stewart, Secretary, this 22nd day of February, 1993.

TENNECO INC.

BY: E. J. Milan
E. J. Milan, Vice President
and Controller

ATTEST:

Karl A. Stewart
Karl A. Stewart, Secretary

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TENNECO INC.

CERTIFICATE OF RETIREMENT OF PREFERRED STOCK

REDEEMED OR PURCHASED

Tenneco Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY as follows:

FIRST: That pursuant to the provisions of Section 160 of the General Corporation Law of the State of Delaware, and subject to the provisions of its Certificate of Incorporation, as amended, One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares of its issued and outstanding $7.40 Cumulative Preferred Stock were purchased and/or redeemed by the corporation and pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, such shares of stock have the status of retired shares.

SECOND: That the Certificate of Incorporation of the corporation prohibits the reissuance of such retired shares of Cumulative Preferred Stock.

THIRD: That pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, upon this Certificate becoming effective, the Certificate of Incorporation of the corporation shall be amended so that the authorized Cumulative Preferred Stock of the corporation shall be reduced by the aggregate of the shares so retired, to-wit: One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares.

FOURTH: This Certificate shall become effective on March 1, 1994.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by E. J. Milan, Vice President and Controller, and attested by James D. Gaughan, Assistant Secretary, this 14th day of February, 1994.

TENNECO INC.

By: E. J. Milan

E. J. Milan, Vice President
and Controller

ATTEST:

James D. Gaughan,
Assistant Secretary

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TENNECO INC.

CERTIFICATE OF RETIREMENT OF PREFERRED STOCK

REDEEMED OR PURCHASED

Tenneco Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY as follows:

FIRST: That pursuant to the provisions of Section 160 of the General Corporation Law of the State of Delaware, and subject to the provisions of its Certificate of Incorporation, as amended, One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares of its issued and outstanding $7.40 Cumulative Preferred Stock were purchased and/or redeemed by the corporation and pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, such shares of stock have the status of retired shares.

SECOND: That the Certificate of Incorporation of the corporation prohibits the reissuance of such retired shares of Cumulative Preferred Stock.

THIRD: That pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, upon this Certificate becoming effective, the Certificate of Incorporation of the corporation shall be amended so that the authorized Cumulative Preferred Stock of the corporation shall be reduced by the aggregate of the shares so retired, to-wit: One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares.

FOURTH: This Certificate shall become effective on March 1, 1995.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by E. J. Milan, Vice President and Controller, and attested by James D. Gaughan, Assistant Secretary, this 15th day of February, 1995.

TENNECO INC.

BY: E. J. Milan

E. J. Milan, Vice President
and Controller

ATTEST:

James D. Gaughan
Assistant Secretary

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2-23-96

TENNECO INC.

CERTIFICATE OF RETIREMENT OF PREFERRED STOCK

REDEEMED OR PURCHASED

Tenneco Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY as follows:

FIRST: That pursuant to the provisions of Section 160 of the General Corporation Law of the State of Delaware, and subject to the provisions of its Certificate of Incorporation, as amended, One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares of its issued and outstanding $7.40 Cumulative Preferred Stock were purchased and/or redeemed by the corporation and pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, such shares of stock have the status of retired shares.

SECOND: That the Certificate of Incorporation of the corporation prohibits the reissuance of such retired shares of Cumulative Preferred Stock.

THIRD: That pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, upon this Certificate becoming effective, the Certificate of Incorporation of the corporation shall be amended so that the authorized Cumulative Preferred Stock of the corporation shall be reduced by the aggregate of the shares so retired, to-wit: One Hundred Ninety-Five Thousand Seven Hundred Sixty-One (195,761) shares.

FOURTH: This Certificate shall become effective on March 1, 1996.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by Mark A. McCollum, Vice President and Controller, and attested by James D. Gaughan, Assistant Secretary, this 16th day of February, 1996.

TENNECO INC.

BY: _____
Mark A. McCollum, Vice President
and Controller

ATTEST:

_____
James D. Gaughan
Assistant Secretary

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10:01

CERTIFICATE OF ELIMINATION OF THE
SERIES A CUMULATIVE PREFERRED STOCK OF TENNECO INC.

Pursuant to Section 151(g)
of the General Corporation Law
of the State of Delaware

Tenneco Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), in accordance with the provisions of Section 151(g) of the General Corporation Law of the State of Delaware, hereby certifies as follows:

1. That, pursuant to Section 151 of the General Corporation Law of the State of Delaware and authority granted in the Certificate of Incorporation of the Corporation, as theretofore amended, the Board of Directors of the Corporation, by resolution duly adopted, authorized the issuance of a series of 10,062,500 shares of Series A Cumulative Preferred Stock, without par value (the "Series A Cumulative Preferred Stock"), and established the voting powers, designations, preferences and relative, participating and other rights, and the qualifications, limitations or restrictions thereof, and, on December 19, 1991, filed a Certificate of Designation with respect to such Series A Cumulative Preferred Stock in the office of the Secretary of State of the State of Delaware.

2. That no shares of said Series A Cumulative Preferred Stock are outstanding and no shares thereof will be issued subject to said Certificate of Designation.

3. That the Board of Directors of the Corporation has adopted the following resolutions:

> WHEREAS, by resolution of the Board of Directors of the Corporation and by a Certificate of Designation filed in the office of the Secretary of State of the State of Delaware on December 19, 1991, this Corporation authorized the issuance of a series of 10,062,500 shares of Series A Cumulative Preferred Stock, without par value, of the Corporation (the "Series A Cumulative Preferred Stock") and established the voting powers, designations, preferences and relative, participating and other rights, and the qualifications, limitations or restrictions thereof; and
>
> WHEREAS, as of the date hereof no shares of such Series A Cumulative Preferred Stock are outstanding and no shares of such Series A Cumulative Preferred

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Stock will be issued subject to said Certificate of Designation; and

WHEREAS, it is desirable that all matters set forth in the Certificate of Designation with respect to such Series A Cumulative Preferred Stock be eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation;

NOW, THEREFORE, BE IT AND IT HEREBY IS

RESOLVED, that all matters set forth in the Certificate of Designation with respect to such Series A Cumulative Preferred Stock be eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation; and it is further

RESOLVED, that the officers of the Corporation be, and hereby are, authorized and directed to file a Certificate with the office of the Secretary of State of the State of Delaware setting forth a copy of these resolutions whereupon all matters set forth in the Certificate of Designation with respect to such Series A Cumulative Preferred Stock shall be eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation.

4. That, accordingly, all matters set forth in the Certificate of Designation with respect to such Series A Cumulative Preferred Stock be, and hereby are, eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation.

IN WITNESS WHEREOF, Tenneco Inc. has caused this Certificate to be signed by Robert T. Blakely, its Senior Vice President, as of this 27th day of February, 1996.

TENNECO INC.

By: Robert T Blakely
Robert T. Blakely
Senior Vice President

ATTEST:

James D. Gaughan
Assistant Secretary

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10.02

CERTIFICATE OF ELIMINATION OF THE
VARIABLE RATE PREFERRED STOCK OF TENNECO INC.

Pursuant to Section 151(g)
of the General Corporation Law
of the State of Delaware

Tenneco Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), in accordance with the provisions of Section 151(g) of the General Corporation Law of the State of Delaware, hereby certifies as follows:

1. That, pursuant to Section 151 of the General Corporation Law of the State of Delaware and authority granted in the Certificate of Incorporation of the Corporation, as theretofore amended, the Board of Directors of the Corporation, by resolution duly adopted, authorized the issuance of a series of 200,396 shares of Variable Rate Preferred Stock, without par value (the "Variable Rate Preferred Stock"), and established the voting powers, designations, preferences and relative, participating and other rights, and the qualifications, limitations or restrictions thereof, and, on October 9, 1987, filed a Certificate of Designation with respect to such Variable Rate Preferred Stock in the office of the Secretary of State of the State of Delaware.

2. That no shares of said Variable Rate Preferred Stock are outstanding and no shares thereof will be issued subject to said Certificate of Designation.

3. That the Board of Directors of the Corporation has adopted the following resolutions:

> WHEREAS, by resolution of the Board of Directors of the Corporation and by a Certificate of Designation filed in the office of the Secretary of State of the State of Delaware on October 9, 1987, this Corporation authorized the issuance of a series of 200,396 shares of Variable Rate Preferred Stock, without par value, of the Corporation (the "Variable Rate Preferred Stock") and established the voting powers, designations, preferences and relative, participating and other rights, and the qualifications, limitations or restrictions thereof; and
>
> WHEREAS, as of the date hereof no shares of such Variable Rate Preferred Stock are outstanding and no shares of such Variable Rate Preferred Stock will be issued subject to said Certificate of Designation; and

WHEREAS, it is desirable that all matters set forth in the Certificate of Designation with respect to such Variable Rate Preferred Stock be eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation;

NOW, THEREFORE, BE IT AND IT HEREBY IS

RESOLVED, that all matters set forth in the Certificate of Designation with respect to such Variable Rate Preferred Stock be eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation; and it is further

RESOLVED, that the officers of the Corporation be, and hereby are, authorized and directed to file a Certificate with the office of the Secretary of State of the State of Delaware setting forth a copy of these resolutions whereupon all matters set forth in the Certificate of Designation with respect to such Variable Rate Preferred Stock shall be eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation.

4. That, accordingly, all matters set forth in the Certificate of Designation with respect to such Variable Rate Preferred Stock be, and hereby are, eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation.

IN WITNESS WHEREOF, Tenneco Inc. has caused this Certificate to be signed by Robert T. Blakely, its Senior Vice President, as of this 27th day of February, 1996.

TENNECO INC.

By: Robert T. Blakely
Robert T. Blakely
Senior Vice President

ATTEST:

James D. Gaughan
Assistant Secretary

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CERTIFICATE OF ELIMINATION OF THE PARTICIPATING PREFERRED STOCK OF TENNECO INC.

Pursuant to Section 151(g)
of the General Corporation Law
of the State of Delaware

Tenneco Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), in accordance with the provisions of Section 151(g) of the General Corporation Law of the State of Delaware, hereby certifies as follows:

1. That, pursuant to Section 151 of the General Corporation Law of the State of Delaware and authority granted in the Certificate of Incorporation of the Corporation, as theretofore amended, the Board of Directors of the Corporation, by resolution duly adopted, authorized the issuance of a series of 1,859,000 shares of Participating Preferred Stock, without par value (the "Participating Preferred Stock"), and established the voting powers, designations, preferences and relative, participating and other rights, and the qualifications, limitations or restrictions thereof, and, on October 9, 1987, filed a Certificate of Designation with respect to such Participating Preferred Stock in the office of the Secretary of State of the State of Delaware.

2. That no shares of said Participating Preferred Stock are outstanding and no shares thereof will be issued subject to said Certificate of Designation.

3. That the Board of Directors of the Corporation has adopted the following resolutions:

> WHEREAS, by resolution of the Board of Directors of the Corporation and by a Certificate of Designation filed in the office of the Secretary of State of the State of Delaware on October 9, 1987, this Corporation authorized the issuance of a series of 1,859,000 shares of Participating Preferred Stock, without par value, of the Corporation (the "Participating Preferred Stock") and established the voting powers, designations, preferences and relative, participating and other rights, and the qualifications, limitations or restrictions thereof; and
>
> WHEREAS, as of the date hereof no shares of such Participating Preferred Stock are outstanding and no shares of such Participating Preferred Stock will be issued subject to said Certificate of Designation; and

WHEREAS, it is desirable that all matters set forth in the Certificate of Designation with respect to such Participating Preferred Stock be eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation;

NOW, THEREFORE, BE IT AND IT HEREBY IS

RESOLVED, that all matters set forth in the Certificate of Designation with respect to such Participating Preferred Stock be eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation; and it is further

RESOLVED, that the officers of the Corporation be, and hereby are, authorized and directed to file a Certificate with the office of the Secretary of State of the State of Delaware setting forth a copy of these resolutions whereupon all matters set forth in the Certificate of Designation with respect to such Participating Preferred Stock shall be eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation.

4. That, accordingly, all matters set forth in the Certificate of Designation with respect to such Participating Preferred Stock be, and hereby are, eliminated from the Certificate of Incorporation, as heretofore amended, of the Corporation.

IN WITNESS WHEREOF, Tenneco Inc. has caused this Certificate to be signed by Robert T. Blakely, its Senior Vice President, as of this 27th day of February, 1996.

TENNECO INC.

By: Robert T. Blakely
Robert T. Blakely
Senior Vice President

ATTEST:

James D. Gaughan
Assistant Secretary

847670080

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 07:30 AM 11/18/1996
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TENNECO INC.

Certificate of Designation, Preferences and Rights of Junior Preferred Stock by Resolution of the Board of Directors Providing for an Issue of 6,000,000 Shares of Junior Preferred Stock Designated "8¼% Cumulative Junior Preferred Stock, Series A"

I, Karl A. Stewart, Vice President and Secretary of Tenneco Inc. (hereinafter referred to as the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 151 thereof, DO HEREBY CERTIFY:

That pursuant to authority conferred upon the Board of Directors by the Certificate of Incorporation of said Corporation, as amended, the Board of Directors is authorized to issue Junior Preferred Stock, without par value, of the Corporation ("Junior Preferred Stock") in one or more series, and the Board of Directors (i) has authorized the issuance of the series of Junior Preferred Stock hereinafter provided for, and (ii) has authorized a special committee of the Board of Directors (the "Junior Preferred Stock Issuance Committee") to adopt the resolution set forth below creating a series of 6,000,000 shares of Junior Preferred Stock, without par value, designated as 8¼% Cumulative Junior Preferred Stock, Series A.

That the Junior Preferred Stock Issuance Committee has adopted the following resolution:

RESOLVED, that pursuant to the authority vested in the Board of Directors of the Corporation by the Certificate of Incorporation of the Corporation, as amended (as such may be further amended from time to time, the "Certificate of Incorporation") and the authority vested by such Board in a Junior Preferred Stock Issuance Committee, all of the members of which are members of such Board, a series of Junior Preferred Stock, without par value, of the Corporation (the "Junior Preferred Stock") be, and hereby is, created to be designated "8¼% Cumulative Junior Preferred Stock, Series A" (hereinafter referred to as the "Series A Preferred Stock"), consisting of 6,000,000 shares, and the designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions of the Series A Preferred Stock are hereby fixed and stated to be as follows (all terms used herein which are defined in the Certificate of Incorporation shall be deemed to have the meanings provided therein):

Section 1. *Dividends.* (a) The dividend rate on the Series A Preferred Stock shall be 8¼% of $50 per share of Series A Preferred Stock per annum (2.0625% per quarter annum). Dividends (including Additional DRD Dividends (as defined in Section 2)) on shares of the Series A Preferred Stock shall accrue, whether or not declared, on a daily basis from the date of issuance of such shares. Accrued but unpaid dividends shall not bear interest.

(b) Dividends on the Series A Preferred Stock shall be payable, when, as and if declared by the Board of Directors of the Corporation out of assets legally available therefor, quarter-yearly on the last days of March, June, September and December in each year (each, a "Dividend Payment Date"), with the first dividend payment date being the next Dividend Payment Date following the date of issuance. Dividends on each Dividend Payment Date will be payable to holders of record of the Series A Preferred Stock as they appear on the stock books of the Corporation on a record date, not more than 60 days preceding such Dividend Payment Date, fixed for such purpose by the Board of Directors in advance of such Dividend Payment Date. Dividends payable on the Series A Preferred Stock for any period shorter than a quarter-yearly dividend period shall be computed on the basis of a 360-day year of twelve 30-day months. The Series A Preferred Stock shall rank on a parity with each other series of Junior Preferred Stock as to the payment of dividends, except to the extent otherwise provided in Section 7 hereof or in the resolution or resolutions providing for the issuance of such other series.

(c) If (x) the Stock Issuance (as defined in the Amended and Restated Agreement and Plan of Merger, dated as of June 19, 1996, as such may be amended or supplemented from time to time (the "Merger Agreement") among the Corporation, El Paso Natural Gas Company, a Delaware corporation ("El Paso"),

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and El Paso Merger Company, a Delaware corporation) is not approved by the stockholders of El Paso at a special meeting of El Paso stockholders (including any adjournments or postponements thereof, the "El Paso Special Meeting") called to approve such issuance, (y) the Merger (as defined in the Merger Agreement) is effected, and (z) on or before the 90th day after the date of the El Paso Special Meeting, either Standard & Poor's Corp. ("S&P") or Moody's Investors Service, Inc. ("Moody's") downgrades the rating previously given by it to the Series A Preferred Stock, the annual dividend rate set forth in (a) above will be automatically subjected to a one-time upward adjustment to the rate set forth in the table below opposite the applicable ratings which are given to the Series A Preferred Stock by each of Moody's and S&P as of the 90th day after the El Paso Special Meeting, effective as of the date of original issuance of the Series A Preferred Stock.

Revised Ratings (Moody's/S&P)	Annual Dividend Rate
Ba1/BB+	9.000%
Ba2/BB+ or Ba1/BB	9.125%
Ba2/BB	9.250%
Ba3/BB or BA2/BB−	9.500%
Ba3/BB−	10.000%

If any such adjustment to the annual dividend rate occurs after a Dividend Payment Date as to which the Corporation previously paid dividends on the Series A Preferred Stock, additional dividends will be payable, out of funds legally available therefor, on each share of Series A Preferred Stock on the next succeeding Dividend Payment Date (or if such adjustment occurs after the dividend payable on the next succeeding Dividend Payment Date has been declared, on the second succeeding Dividend Payment Date following the date of such adjustment) to the holder of record of such share of Series A Preferred Stock as of the record date established for such succeeding Dividend Payment Date (or second succeeding Dividend Payment Date, as the case may be) in an amount equal to the excess of (x) the aggregate amount of dividends that would have been payable on such share on all Dividend Payment Dates as to which the Corporation previously paid dividends on the Series A Preferred Stock if dividends had accrued from the date of issuance of the Series A Preferred Stock at the adjusted annual dividend rate, over (y) the aggregate amount of dividends actually paid with respect to such share of Series A Preferred Stock. If the annual dividend rate is adjusted as provided above, the Corporation will cause notice of such adjustment to be sent to the holders of record of the Series A Preferred Stock as they appear in the stock register of the Corporation.

Section 2. *Changes in the Dividends Received Percentage.* (a) Notwithstanding Section 1 hereof, if one or more amendments to the Internal Revenue Code of 1986, as amended (the "Code"), are enacted that reduce the percentage of the dividends received deduction as specified in Section 243(a)(1) of the Code or any successor provision (the "Dividends Received Percentage") to below 70%, the amount of each dividend payable per share of the Series A Preferred Stock for dividend payments made on or after the effective date of such change (or the second succeeding dividend payment after such effective date, as hereinafter described) will be adjusted by multiplying the amount of the dividend payable pursuant to Section 1 (before adjustment pursuant to this Section 2) by a factor, which will be the number determined in accordance with the following formula (the "DRD Formula"), and rounding the result to the nearest cent:

$$\frac{1 - (.35\,(1 - .70))}{1 - (.35\,(1 - \mathrm{DRP}))}$$

For the purposes of the DRD Formula, "DRP" means the Dividends Received Percentage applicable to the dividend in question. No amendment to the Code, other than a change in the percentage of the dividends received deduction set forth in Section 243(a)(1) of the Code or any successor provision, will give rise to an adjustment. Notwithstanding the foregoing provisions of this Section 2, in the event that, with respect to any such amendment, the Corporation receives either an unqualified opinion of nationally

recognized independent tax counsel selected by the Corporation or a private letter ruling or similar form of authorization from the Internal Revenue Service to the effect that such an amendment would not apply to dividends payable on the Series A Preferred Stock, then any such amendment will not result in the adjustment provided for pursuant to the DRD Formula. The opinion referenced in the previous sentence must be based upon a specific exception in the legislation amending the DRP or upon a published pronouncement of the Internal Revenue Service addressing such legislation. The Corporation's calculation of the dividends payable, as so adjusted and as certified accurate as to calculation and reasonable as to method by the independent public accountants then regularly engaged by the Corporation, will be final and not subject to review absent manifest error.

(b) If any amendment to the Code which reduces the Dividends Received Percentage to below 70% is enacted after a dividend payable on a Dividend Payment Date has been declared but prior to the applicable Dividend Payment Date, the amount of dividend payable on such Dividend Payment Date will not be increased. Instead, an amount, equal to the excess of (x) the product of the dividends paid by the Corporation on such Dividend Payment Date and the factor derived from the DRD Formula (where the DRP used in the DRD Formula would be equal to the reduced Dividends Received Percentage for such dividends), over (y) the dividends paid by the Corporation on such Dividend Payment Date, will be payable, out of funds legally available therefor, to holders of record as of the record date established for the next succeeding Dividend Payment Date in addition to any other amounts payable on such date. Notwithstanding the foregoing, no such additional dividend will be payable pursuant to this Section 2 if such amendment to the Code would not result in an adjustment to the DRD Formula due to the Corporation having received either an opinion of counsel or tax ruling referred to in paragraph (a) of this Section 2.

(c) If, prior to March 31, 1997, an amendment to the Code is enacted that reduces the Dividends Received Percentage to below 70% and such reduction retroactively applies to a Dividend Payment Date as to which the Corporation previously paid dividends on the Series A Preferred Stock (each an "Affected Dividend Payment Date"), additional dividends (the "Additional DRD Dividends") will be payable out of funds legally available therefor on the next succeeding Dividend Payment Date (or if such amendment is enacted after the dividend payable on such Dividend Payment Date has been declared, on the second succeeding Dividend Payment Date following the date of enactment) to holders of record as of the record date established for such succeeding Dividend Payment Date (or second succeeding Dividend Payment Date, as the case may be) in an amount equal to the excess of (x) the product of the dividends paid by the Corporation on each Affected Dividend Payment Date and the factor derived from the DRD Formula (where the DRP used in the DRD Formula would be equal to the reduced Dividends Received Percentage applied to each Affected Dividend Payment Date), over (y) the dividends paid by the Corporation on all Affected Dividend Payment Dates.

(d) Additional DRD Dividends will not be payable in respect of the enactment of any amendment to the Code on or after March 31, 1997 which retroactively reduces the Dividends Received Percentage to below 70%, or if enacted prior to March 31, 1997, which would not result in an adjustment due to the Corporation having received either an opinion of counsel or tax ruling referred to in paragraph (a) of this Section 2. The Corporation shall only be required to make one payment of Additional DRD Dividends.

(e) In the event that the amount of dividends payable per share of the Series A Preferred Stock are adjusted pursuant to the DRD Formula and/or Additional DRD Dividends are to be paid, the Corporation shall cause notice of each such adjustment and, if applicable, any Additional DRD Dividends to be sent to the holders of record of the Series A Preferred Stock as they appear in the stock register of the Corporation.

Section 3. *Optional Redemption*. (a) At any time or from time to time, on or after December 31, 2001, the Series A Preferred Stock may be redeemed at the option of the Corporation, in whole or in part, out of funds legally available therefor, at a redemption price equal to $50.00 per share plus an amount equal to accrued and unpaid dividends (whether or not declared) to but excluding the date fixed for redemption including any changes in dividends payable due to changes in the annual dividend rate or Dividends Received Percentage, and Additional DRD Dividends, if any. In addition to any restrictions or limitations

contained in the Certificate of Incorporation, if any, if full cumulative dividends on the Series A Preferred Stock for all past dividend periods have not been paid or declared and set apart for payment, the Series A Preferred Stock may be redeemed only in full (but not in part) by the Corporation pursuant to this paragraph (a) and the Corporation shall not purchase or acquire any shares of Series A Preferred Stock other than pursuant to Section 4 hereof or pursuant to a purchase or exchange offer made on the same terms to all holders of the Series A Preferred Stock. If fewer than all the outstanding shares of Series A Preferred Stock are to be redeemed, the Corporation will select those to be redeemed pro rata, by lot or by a substantially equivalent method.

(b) If the Dividends Received Percentage is equal to or less than 40% and, as a result, the amount of dividends on the Series A Preferred Stock payable on any Dividend Payment Date will be or is adjusted upwards as provided in Section 2, the Corporation, at its option, may redeem all, but not less than all, of the outstanding shares of the Series A Preferred Stock, out of funds legally available therefor, provided that within 60 days of the date on which an amendment to the Code is enacted which reduces the Dividends Received Percentage to 40% or less, the Corporation gives notice of redemption as provided in paragraph (d) of this Section 3 to all holders of record of the Series A Preferred Stock. A redemption of the Series A Preferred Stock in accordance with this paragraph (b) shall be at the applicable redemption price set forth in the following table, in each case plus an amount equal to accrued and unpaid dividends (whether or not declared) thereon to but excluding the date fixed for redemption, including any changes in dividends payable due to changes in the annual dividend rate or Dividends Received Percentage, and Additional DRD Dividends, if any:

Redemption Period	Redemption Price Per Share
November 18, 1996 to December 30, 1997	$52.50
December 31, 1997 to December 30, 1998	52.00
December 31, 1998 to December 30, 1999	51.50
December 31, 1999 to December 30, 2000	51.00
December 31, 2000 to December 30, 2001	50.50
December 31, 2001 and thereafter	50.00

(c) If at any time fewer than 600,000 shares of Series A Preferred Stock remain outstanding, the Corporation, at its option, may redeem all, but not less than all, of the outstanding Series A Preferred Stock. A redemption of the Series A Preferred Stock in accordance with this paragraph (c) shall be at the applicable redemption price set forth in the following table, in each case plus an amount equal to accrued but unpaid dividends (whether or not declared) thereon to but excluding the date fixed for redemption, including any changes in dividends payable due to changes in the annual dividend rate or the Dividends Received Percentage, and Additional DRD Dividends, if any:

Redemption Period	Redemption Price Per Share
November 18, 1996 to December 30, 1997	$52.50
December 31, 1997 to December 30, 1998	$52.00
December 31, 1998 to December 30, 1999	$51.50
December 31, 1999 to December 30, 2000	$51.00
December 31, 2000 to December 30, 2001	$50.50
December 31, 2001 and thereafter	$50.00

(d) Notice of redemption pursuant to paragraph (a), (b) or (c) of this Section 3 will be given by mail, (i) not less than 30 days prior to the date fixed for redemption thereof in the case of paragraph (a) and (ii) not less than 30 nor more than 60 days prior to the date fixed for redemption thereof, in the case of paragraphs (b) and (c), in each case to each record holder of the shares of Series A Preferred Stock to be redeemed at the address of such holder in the stock register of the Corporation. If a notice of redemption has been given, from and after the specified redemption date (unless the Corporation defaults in making

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payment of the redemption price), dividends on the Series A Preferred Stock so called for redemption will cease to accrue, such shares will no longer be deemed to be outstanding, and all rights of the holders thereof as stockholders of the Corporation (except the right to receive the redemption price) will cease. Subject to applicable escheat and similar abandoned property laws, any moneys set aside by the Corporation for such redemption and unclaimed at the end of six months from the redemption date shall revert to the general funds of the Corporation, after which reversion the holders of such shares so called for redemption shall look only to the general funds of the Corporation for the payment of the amounts payable upon such redemption. Any interest accrued on funds so deposited shall be paid to the Corporation from time to time.

Section 4. *Mandatory Redemption*. Subject to the rights of the holders of any class or series of stock ranking prior to the Series A Preferred Stock, upon the occurrence of a Mandatory Redemption Event, the Corporation shall redeem out of funds legally available therefor all of the outstanding shares of Series A Preferred Stock on a date (the "Mandatory Redemption Date") not more than 60 days after the date of such Mandatory Redemption Event at a redemption price of $50.50 per share plus an amount equal to accrued and unpaid dividends (whether or not declared) thereon to but excluding the Mandatory Redemption Date, including any changes in dividends payable due to changes in the annual dividend rate or Dividends Received Percentage, and Additional DRD Dividends, if any.

A "Mandatory Redemption Event" shall mean the earliest to occur of the following events:

(i) the Transaction (as defined below) shall have been voted upon by the stockholders of the Corporation and shall not have been approved at the special meeting of Tenneco stockholders presently scheduled to be held on December 10, 1996 for the purpose of considering and voting upon the Transaction (such meeting having been finally adjourned); (ii) the Transaction shall not have been approved by the requisite vote of the stockholders of the Corporation entitled to vote thereon on or prior to March 31, 1997; or (iii) the Corporation shall not have accepted on or prior to March 31, 1997 any indebtedness of the Corporation and its subsidiaries tendered to it pursuant to the cash tender offers made by it pursuant to the Transaction.

"Transaction" means the reorganization of the Corporation pursuant to which (i) the Corporation and its subsidiaries will, pursuant to a Distribution Agreement dated as of November 1, 1996 (as such may be amended, supplemented or modified from time to time) among the Corporation, New Tenneco Inc., a newly formed wholly-owned subsidiary of the Corporation ("New Tenneco"), and Newport News Shipbuilding Inc., a wholly-owned subsidiary of the Corporation ("Newport News"), undertake various intercompany transfers and distributions designed to restructure, divide and separate their various businesses and assets so that all of the assets, liabilities and operations of (A) their automotive parts, packaging and administrative services businesses ("Industrial Business") are owned and operated by New Tenneco, and (B) their shipbuilding business ("Shipbuilding Business") are owned and operated by Newport News; (ii) the Corporation will then distribute pro rata to holders of the common stock of the Corporation all of the outstanding common stock of New Tenneco and Newport News; and (iii) thereafter a subsidiary of El Paso will merge with and into the Corporation, which will then consist of the remaining existing and discontinued operations of the Corporation and its subsidiaries other than those relating to the Industrial Business or the Shipbuilding Business, including the transmission and marketing of natural gas, pursuant to the Merger Agreement.

Notice of redemption pursuant to this Section 4 will be given by mail, not less than 30 nor more than 60 days prior to the Mandatory Redemption Date to each record holder of shares of Series A Preferred Stock at the address of such holder in the stock register of the Corporation. If a notice of redemption has been given, from and after the Mandatory Redemption Date (unless the Corporation defaults in making payment of the redemption price), dividends on the Series A Preferred Stock will cease to accrue, such shares will no longer be deemed to be outstanding, and all rights of the holders thereof as stockholders of the Corporation (except the right to receive the redemption price) will cease. Subject to applicable escheat and similar abandoned property laws, any moneys set aside by the Corporation for such redemption and unclaimed at the end of six months from the Mandatory Redemption Date shall revert to the general funds

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of the Corporation, after which reversion the holders of such shares so called for redemption shall look only to the general funds of the Corporation for the payment of the amounts payable upon such redemption. Any interest accrued on funds so deposited shall be paid to the Corporation from time to time.

Section 5. *Voting*. The Series A Preferred Stock shall not have any voting rights except as required by law or the Certificate of Incorporation, or as hereinafter set forth:

(a) Each share of Series A Preferred Stock shall entitle the holder thereof to one vote on all matters submitted to a vote of the holders of Series A Preferred Stock.

(b) The holders of Series A Preferred Stock, voting as a separate series from all other series of Junior Preferred Stock and classes of capital stock, shall be entitled, at each annual meeting of stockholders of the Corporation, to elect a number of directors of the Corporation equivalent to the smallest number representing at least one-sixth of the number of members of the Board of Directors as if there were no vacancies or unfilled newly created directorships on such Board, without giving effect to any directorships created or directors elected pursuant to paragraph (c) below. Any director so elected shall hold office until the next annual meeting and until his or her successor shall be elected and qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office. So long as any shares of Series A Preferred Stock are outstanding, the number of members of the Board of Directors of the Corporation (as if there were no vacancies or unfilled newly created directorships on such Board, without giving effect to any directorships created or directors elected pursuant to paragraph (c) below) shall be set at an integral multiple of six.

A director elected pursuant to the terms of this paragraph (b) may be removed without cause only by the holders of a majority in voting power of the outstanding Series A Preferred Stock.

At such time as all shares of the Series A Preferred Stock shall cease to be outstanding, the term of office of any director elected pursuant to this paragraph (b), or his or her successor, shall automatically terminate.

(c) Whenever, at any time or times, dividends payable on the Series A Preferred Stock shall be in arrears for dividend periods, whether or not consecutive, containing in the aggregate a number of days equivalent to six calendar quarters, the holders of outstanding Series A Preferred Stock shall have the exclusive right, in addition to their rights under (b) above, voting as a separate series from all other series of Junior Preferred Stock and classes of capital stock of the Corporation, at each meeting of the stockholders held for the purpose of electing directors, to elect two directors of the Corporation, until such time as all dividends accumulated on the Series A Preferred Stock and in arrears shall have been paid in full or declared and set apart for payment, at which time the right of the holders of the Series A Preferred Stock to vote pursuant to the provisions of this paragraph (c) shall terminate, subject to revesting in the event of each and every subsequent default of the character and for the time above mentioned.

At any time when voting rights shall, pursuant to the provisions of this paragraph (c), be vested in the Series A Preferred Stock, the number of directors of the Corporation shall be automatically increased, to the extent necessary, so that two directors may be elected by the holders of the Series A Preferred Stock and a proper officer of the Corporation shall, upon the written request of the holders of record of at least ten percent in aggregate liquidation value of the Series A Preferred Stock then outstanding, addressed to the Secretary of the Corporation, call a special meeting of holders of the Series A Preferred Stock. Such meeting shall be held at the earliest practicable date but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the receipt by the Secretary of the Corporation of such request. If such meeting shall not be called by the proper officer of the Corporation as required within 20 days after personal service of the said written request upon the Secretary of the Corporation, or within 20 days after mailing the same within the United States of America by certified or registered mail, return receipt requested,

addressed to the Secretary of the Corporation at its principal office (such mailing to be evidenced by the registry receipt issued by the postal authorities), then the holders of record of at least ten percent of the aggregate liquidation value of the Series A Preferred Stock then outstanding may designate in writing one of their number to call such meeting, and such meeting may be called by such person designated upon the notice required for annual meetings of stockholders but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the receipt by the Secretary of the Corporation of such request. Any holder of the Series A Preferred Stock so designated shall have access to the stock books of the Corporation for the purpose of causing a meeting of stockholders to be called pursuant to these provisions.

Upon any termination of the right of the holders of the Series A Preferred Stock to vote for directors as a class as described in this paragraph (c), the term of office of the directors so elected as described in this paragraph (c) shall automatically terminate and the number of directors shall be reduced accordingly.

(d) At any meeting so called pursuant to paragraph (c) above, and at any other meeting of stockholders held for the purpose of electing directors at which the holders of the Series A Preferred Stock shall have the right to elect directors as provided in paragraph (b) or paragraph (c) above, the presence in person or by proxy of a majority in voting power of the outstanding shares of the Series A Preferred Stock, shall be required to constitute a quorum thereof for the election of any director by the holders of the Series A Preferred Stock.

At any such meeting or adjournment thereof, (x) the absence of the required quorum of the Series A Preferred Stock shall not prevent the election of directors other than those to be elected by the Series A Preferred Stock and the absence of a quorum for the election of such other directors shall not prevent the election of the directors to be elected by the Series A Preferred Stock, and (y) in the absence of either or both such quorums, a majority in voting power of the holders present in person or by proxy of the stock or stocks which lack a quorum shall have power to adjourn the meeting, subject to applicable law, for the election of directors which they are entitled to elect from time to time without notice other than announcement at the meeting until a quorum shall be present.

(e) If by reason of any resignation, retirement, disqualification, death or removal there are not in office all such directors that the holders of the Series A Preferred Stock are entitled to elect pursuant to paragraph (c), then any such vacancy shall be filled only by the remaining director or directors elected by such holders or, only in the event there is no such remaining director, by the holders of the Series A Preferred Stock entitled to vote thereon. If by reason of any resignation, retirement, disqualification, death or removal there are not in office all such directors that the holders of the Series A Preferred Stock are entitled to elect pursuant to paragraph (b), then any such vacancy shall be filled only by a majority of the remaining directors elected by such holders or, in the event there are no such remaining directors, by the majority vote of the remaining directors then constituting the Board of Directors.

Promptly after the right of the holders of the Series A Preferred Stock to fill any vacancy as set forth in the first sentence of the immediately preceding paragraph arises, the Board of Directors may cause a special meeting of the holders of Series A Preferred Stock entitled to vote thereon, to be held for the purpose of filling such vacancy and such vacancy shall be filled at any such special meeting. Such meeting shall be held at the earliest practicable date, but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the occurrence of such vacancy.

Notwithstanding the immediately preceding paragraph, at any time after the right of the holders of the Series A Preferred Stock to fill any vacancy as set forth above in the first sentence of the first paragraph of this paragraph (e) arises, a proper officer of the Corporation shall, upon the written request of the holders of record of at least ten percent in aggregate liquidation value of the Series A Preferred Stock then outstanding, addressed to the Secretary of the Corporation, call a special meeting of holders

of the Series A Preferred Stock. Such meeting shall be held at the earliest practicable date but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the occurrence of such vacancy. If such meeting shall not be called by the proper officer of the Corporation as required within 20 days after personal service of the said written request upon the Secretary of the Corporation, or within 20 days after mailing the same within the United States of America by registered mail addressed to the Secretary of the Corporation at its principal office (such mailing to be evidenced by the registry receipt issued by the postal authorities), then the holders of record of at least ten percent of the aggregate liquidation value of the Series A Preferred Stock then outstanding may designate in writing one of their number to call such meeting, and such meeting may be called by such person designated upon the notice required for annual meetings of stockholders and shall be held at the place at which the last preceding annual meeting of the stockholders of the Corporation was held. Any holder of the Series A Preferred Stock so designated shall have access to the stock books of the Corporation for the purpose of causing a meeting of stockholders to be called pursuant to these provisions.

(f) In addition to any other vote or consent of stockholders required by law or the Certificate of Incorporation, if any, so long as any shares of Series A Preferred Stock are outstanding, the Corporation shall not, without the consent of the holders of at least a majority in voting power of the outstanding shares of Series A Preferred Stock, given in person or by proxy, either in writing or by vote at an annual meeting or a special meeting called for that purpose:

(A) issue any additional shares of Series A Preferred Stock (other than the 6,000,000 shares of Series A Preferred Stock authorized hereby), or issue any shares of any class or series of stock ranking prior to or on parity with the Series A Preferred Stock as to the payment of dividends or as to the distribution of assets on liquidation, dissolution or winding up;

(B) issue any obligation or security convertible into shares of stock ranking prior to or on parity with the Series A Preferred Stock as to the payment of dividends or as to the distribution of assets on liquidation, dissolution or winding up; or

(C) amend the Certificate of Incorporation or the Certificate of Designation if the amendment would alter or change the powers, preferences or special rights of the shares of Series A Preferred Stock so as to affect such shares adversely.

Section 6. *Restrictions on Dividends and Stock Repurchases.* Subject to any additional restrictions or limitations contained in the Certificate of Incorporation, if any, so long as any shares of Series A Preferred Stock remain outstanding, unless full cumulative dividends on the outstanding shares of Series A Preferred Stock for all past dividend periods have been paid, or declared and set apart for payment, and the Corporation shall not be in default with respect to its obligations under Section 4 hereof, dividends may not be paid or declared and other distributions may not be made upon any class or series of stock of the Corporation ranking junior to or on a parity with the Series A Preferred Stock as to dividends or rights upon dissolution, liquidation or winding up of the Corporation nor may any such class or series of stock of the Corporation be purchased, retired or otherwise acquired by the Corporation, in either case without the consent, given in person or by proxy, either in writing or by vote at any annual meeting or at a special meeting called for that purpose, of the holders of at least a majority in voting power of the outstanding shares of Series A Preferred Stock present in person or by proxy at such meeting, provided that a quorum, consisting of at least a majority in voting power of the then outstanding shares of Series A Preferred Stock is present; *provided, however,* that, notwithstanding the foregoing provisions of this Section 6 (but subject to any restrictions or limitations to the contrary contained in the Certificate of Incorporation), the Corporation may at any time redeem, purchase or acquire, out of funds legally available therefor, shares of stock ranking junior to or on a parity with the Series A Preferred Stock as to dividends and rights upon liquidation, dissolution and winding up of the Corporation in exchange for, or out of net cash proceeds from a substantially concurrent sale of, other shares of any stock of the Corporation ranking junior to the Series A Preferred Stock as to dividends and rights upon liquidation, dissolution and winding up.

Section 7. *Ranking*. (a) Any class or series of stock of the Corporation shall be deemed to rank:

(i) prior to the Series A Preferred Stock as to the payment of dividends or as to distributions of assets upon liquidation, dissolution or winding up, as the case may be, if the holders of such class or series shall be entitled to the receipt of dividends or of amounts distributable upon liquidation, dissolution or winding up, as the case may be, in preference or priority to the holders of Series A Preferred Stock;

(ii) on a parity with the Series A Preferred Stock as to the payment of dividends, whether or not the dividend rates or dividend payment dates thereof be different from those of the Series A Preferred Stock, if the holders of such class or series of stock and the holders of the Series A Preferred Stock shall be entitled to the receipt of dividends in proportion to their respective amounts of accrued and unpaid dividends per share, without preference or priority one over the other, and on a parity with the Series A Preferred Stock as to the distribution of assets upon liquidation, dissolution or winding up, whether or not the liquidation prices per share thereof be different from those of the Series A Preferred Stock, if the holders of such class or series of stock and the holders of the Series A Preferred Stock shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in proportion to their respective liquidation preferences, without preference or priority one over the other; and

(iii) junior to the Series A Preferred Stock as to the payment of dividends or as to the distribution of assets upon liquidation, dissolution or winding up, as the case may be, if the holders of Series A Preferred Stock shall be entitled to receipt of dividends or of amounts distributable upon liquidation, dissolution or winding up, as the case may be, in preference or priority to the holders of shares of such class or series.

(b) Except for the Common Stock, par value $5.00 per share, of the Corporation (as such may be constituted from time to time, the "Common Stock") and the Series A Participating Junior Preferred Stock, without par value, of the Corporation (the "Participating Junior Preferred Stock"), each other class and series of stock of the Corporation existing on the date of the adoption of this Certificate shall be deemed to rank prior to the Series A Preferred Stock both as to the payment of dividends and as to the distribution of assets upon liquidation, dissolution or winding up. The Common Stock and the Participating Junior Preferred Stock shall be deemed to rank junior to the Series A Preferred Stock both as to the payment of dividends and as to the distribution of assets upon liquidation, dissolution or winding up.

Section 8. *Liquidation Rights*. (a) The amount that the holders of Series A Preferred Stock shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the Corporation, whether voluntary or involuntary (collectively, a "Liquidation"), shall be $50.00 per share, plus an amount equal to all accrued and unpaid dividends to the date of Liquidation including any changes in dividends payable due to changes in the annual dividend rate or Dividends Received Percentage, and Additional DRD Dividends, if any, and no more. After such amount is paid in full, no further distributions or payments shall be made in respect of shares of Series A Preferred Stock, such shares of Series A Preferred Stock shall no longer be deemed to be outstanding or be entitled to any powers, preferences, rights or privileges, including voting rights, and such shares of Series A Preferred Stock shall be surrendered for cancellation to the Corporation.

(b) In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, then, before any distribution or payment shall be made to the holders of any class or series of stock of the Corporation ranking junior to the Series A Preferred Stock, the holders of the Series A Preferred Stock (subject to the rights of the holders of any stock ranking prior to the Series A Preferred Stock as to rights on liquidation, dissolution and winding up) shall be entitled to be paid in full the amounts set forth in paragraph (a) of this Section 8. After such payment shall have been made in full to the holders of the Series A Preferred Stock, the remaining assets and funds of the Corporation shall be distributed among the holders of the stock of the Corporation ranking junior in respect thereof to the Series A Preferred Stock according to their respective rights. In the event that the assets of the Corporation available for distribution to holders

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of Series A Preferred Stock shall not be sufficient to make the payment herein required to be made in full and to pay in full the liquidation preference on all other shares of stock of the Corporation ranking on a parity with the Series A Preferred Stock as to amounts distributable upon dissolution, liquidation or winding up of the Corporation, such assets shall be distributed to the holders of the respective shares of Series A Preferred Stock and any such other parity stock pro rata in proportion to the full amounts payable upon the shares of Series A Preferred Stock and any such other parity stock if all amounts payable thereon were paid in full.

Section 9. *Maturity*. Unless otherwise redeemed as provided herein, the term of the Series A Preferred Stock shall be perpetual.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by Karl A. Stewart, as Vice President and Secretary, this 18th day of November, 1996.

TENNECO INC.

By: Karl A. Stewart

Name: Karl A. Stewart
Title: Vice President and Secretary

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 08:05 AM 12/11/1996
960361974 - 2140052

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
TENNECO INC.

TENNECO INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Company"), DOES HEREBY CERTIFY:

FIRST: That at a meeting of the Board of Directors of the Company resolutions were adopted setting forth proposed amendments to the Certificate of Incorporation of said Company, as amended as of such date (the "Certificate of Incorporation"), declaring said amendments to be advisable and directing that the amendments be considered at a special meeting of the stockholders of the Company. The resolution setting forth the proposed amendments is as follows:

> RESOLVED, that the Board of Directors of the Company hereby approves and declares it advisable that the Certificate of Incorporation of the Company be amended (the "Amendment") by (i) deleting Subsection 1 of Part II of Article FOURTH thereof in its entirety and inserting the paragraph set forth below in lieu thereof, (ii) deleting Subsections 2, 3 and 4 of Part II of Article FOURTH thereof in their entirety, and (iii) renumbering Subsection 5 of Part II of Article FOURTH thereof as Subsection 2:
>
> "1. The Board of Directors of the corporation is hereby expressly authorized, by resolution or resolutions thereof, to provide, out of the unissued shares of Junior Preferred Stock, for series of Junior Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the voting powers (if any) of the shares of such series, and the preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series. The powers, preferences and relative, participating, optional and other special rights of each series of Junior Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding."

SECOND: That thereafter, pursuant to the resolution of its Board of Directors, (i) a special meeting of the stockholders of the Company was duly called and held, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware (the "DGCL"), at which meeting holders of a majority of the outstanding stock entitled to vote thereon (except for the holders of the Company's outstanding Junior Preferred Stock), as required by the DGCL and the Certificate of Incorporation, voted in favor of the amendment and (ii) the holders of the shares of the Company's outstanding Junior Preferred Stock unanimously consented, in accordance with Section 228 of the DGCL, to the adoption of the amendments.

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THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the DGCL.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed by Dana G. Mead, as Chairman and Chief Executive Officer, this 11th day of December, 1996.

TENNECO INC.

By:_____
Name: Dana G. Mead
Office: Chairman and Chief Executive Officer

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State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"EL PASO MERGER COMPANY", A DELAWARE CORPORATION,

WITH AND INTO "TENNECO INC." UNDER THE NAME OF "EL PASO TENNESSEE PIPELINE CO.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE ELEVENTH DAY OF DECEMBER, A.D. 1996, AT 6:15 O'CLOCK P.M.

Edward J. Freel, Secretary of State

AUTHENTICATION: 8264345

DATE: 12-30-96

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STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 06:15 PM 12/11/1996
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CERTIFICATE OF MERGER

OF

EL PASO MERGER COMPANY

WITH AND INTO

TENNECO INC.

(Under Section 251 of the General
Corporation Law of the State of Delaware)

Tenneco Inc., a Delaware corporation, hereby certifies that:

1. The name and state of incorporation of each of the constituent corporations is as follows:

(a) El Paso Merger Company, a Delaware corporation ("El Paso Merger"); and

(b) Tenneco Inc., a Delaware corporation ("Tenneco").

2. The Amended and Restated Agreement and Plan of Merger (the "Agreement and Plan of Merger"), dated as of June 19, 1996, among Tenneco, El Paso Natural Gas Company, a Delaware corporation, and El Paso Merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations in accordance with Section 251 (and, with respect to El Paso Merger, by the written consent of its sole stockholder in accordance with Section 228) of the General Corporation Law of the State of Delaware.

3. The name of the surviving corporation is Tenneco Inc. (the "Surviving Corporation"). The name of the Surviving Corporation shall be amended in the merger to be "El Paso Tennessee Pipeline Co."

4. The Certificate of Incorporation of Tenneco as in effect immediately prior to the merger shall be amended as set forth in Annex 1 hereto and, as so amended, shall be the Certificate of Incorporation of the Surviving Corporation

5. The executed Agreement and Plan of Merger is on file at the principal place of business of the Surviving Corporation at 1010 Milam Street, Houston, Texas 77002.

6. A copy of the Agreement and Plan of Merger will be furnished by the Surviving Corporation, on request and without cost, to any stockholder of any constituent corporation.

7. The merger provided for herein shall be effective at 8:00 a.m. Eastern Standard Time on December 12, 1996.

IN WITNESS WHEREOF, said Tenneco Inc. has caused this Certificate to be signed as of the 11th day of December, 1996.

TENNECO INC.

By: _____
Name: Karl A. Stewart
Office: Vice President and Secretary

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ANNEX 1

Article FIRST is hereby deleted in its entirety and replaced with the following paragraph:

"FIRST: The name of the corporation is El Paso Tennessee Pipeline Co."

The first two paragraphs of Article FOURTH are hereby deleted in their entirety and replaced with the following paragraph:

"The total number of shares of all classes of stock which the corporation shall be authorized to issue is 20,000,000 shares of Preferred Stock, par value $.01 per share (herein called "Preferred Stock"), and 100,000 shares of Common Stock, of the par value of $.01 per share (herein called "Common Stock")."

Part I of Article FOURTH is hereby deleted in its entirety.

Part II of Article FOURTH is hereby amended to read in its entirety as set forth in the following paragraph:

"I.

1. The Board of Directors of the corporation is hereby expressly authorized, by resolution or resolutions thereof, to provide, out of the unissued shares of Preferred Stock, for series of Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the voting powers (if any) of the shares of such series, and the preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series. The powers, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding.

2. Except as otherwise provided in any resolution of the Board of Directors providing for the issuance of any particular series of Preferred Stock, shares of Preferred Stock redeemed or otherwise acquired by the corporation shall, upon the filing of any required certificates with the Secretary of State of Delaware, assume the status of authorized but unissued Preferred Stock and may thereafter, subject to the provisions of this Part I of Article FOURTH and of any restrictions contained in any resolution of the Board of Directors providing for the issue of any particular series of Preferred Stock, be reissued in the same manner as other authorized but unissued Preferred Stock."

Parts III and IV of Article FOURTH are hereby deleted in their entirety.

Subsection (A) of Article FIFTH is hereby deleted in its entirety and replaced with the following paragraph:

"The number of directors which shall constitute the whole Board of Directors shall be as determined from time to time by resolution adopted by the affirmative vote of a majority of the Board of Directors; provided that until otherwise determined by the Board of Directors in accordance herewith, the number of directors shall be six (6)."

Subsection (B)(g) of Article FIFTH is hereby amended by deleting the words "each committee to consist of two or more directors of the corporation" and the comma immediately following such text.

Articles SEVENTH and NINTH are hereby deleted in their entirety and the remaining provisions renumbered accordingly.

The Certificates of Designation, Preferences and Rights for the $7.40 Cumulative Preferred Stock, the $4.50 Cumulative Preferred Stock and Series A Participating Junior Preferred Stock of the corporation filed with the Secretary of State of Delaware on October 9, 1987, October 9, 1987 and May 25, 1988, respectively, are hereby deleted in their entirety.

The Certificate of Designation, Preferences and Rights for the 8 1/4% Cumulative Junior Preferred Stock, Series A, filed on November 18, 1996 with the Secretary of State of Delaware, shall be hereby amended by deleting all references therein to Junior Preferred Stock and substituting therefor references to Preferred Stock and renaming the 8 1/4% Cumulative Junior Preferred Stock, Series A as the "8 1/4% Cumulative Preferred Stock, Series A."

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF DESIGNATION OF "EL PASO TENNESSEE PIPELINE CO.", FILED IN THIS OFFICE ON THE TENTH DAY OF MARCH, A.D. 1997, AT 10 O'CLOCK A.M.

A CERTIFIED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS FOR RECORDING.

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Edward J. Freel, Secretary of State

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AUTHENTICATION: 8365047

DATE: 03-10-97

EL PASO TENNESSEE PIPELINE CO.

Certificate of Designation, Preferences and Rights of Preferred Stock by Resolution of the Board of Directors Providing for an Issue of 3,036,600 Shares of Preferred Stock Designated "8½% Cumulative Junior Preferred Stock, Series B"

I, Stacy J. James, Secretary of El Paso Tennessee Pipeline Co. (hereinafter referred to as the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 151 thereof, DO HEREBY CERTIFY:

That pursuant to authority conferred upon the Board of Directors by the Certificate of Incorporation of said Corporation, as amended, the Board of Directors, by unanimous written consent, pursuant to Section 141(f) of the General Corporation Law of the State of Delaware, dated as of March 5, 1997, adopted a resolution providing for the issuance of a series of Preferred Stock, to be designated "8½% Cumulative Junior Preferred Stock, Series B", which resolution is as follows:

RESOLVED, that pursuant to the authority vested in the Board of Directors of the Corporation by the Certificate of Incorporation of the Corporation, as amended (as such may be further amended from time to time, the "Certificate of Incorporation"), a series of Preferred Stock, par value $0.01 per share, of the Corporation (the "Preferred Stock") be, and hereby is, created to be designated "8½% Cumulative Junior Preferred Stock, Series B" (hereinafter referred to as the "Series B Preferred Stock"), consisting of 3,036,600 shares, and the designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions of the Series B Preferred Stock are hereby fixed and stated to be as follows (all terms used herein that are defined in the Certificate of Incorporation shall be deemed to have the meanings provided therein):

SECTION 1. *Dividends.* (a) The dividend rate on the Series B Preferred Stock shall be 8½% of $50 per share of Series B Preferred Stock per annum. Dividends on shares of the Series B Preferred Stock shall accrue, whether or not declared, on a daily basis from the date of issuance of such shares. Accrued but unpaid dividends shall not bear interest.

(b) Dividends on the Series B Preferred Stock shall be payable, when, as and if declared by the Board of Directors of the Corporation out of assets legally available therefor, annually on the last day of December in each year (each, a "Dividend Payment Date"), with the first dividend payment date being the next Dividend Payment Date following the date of issuance. Dividends on each Dividend Payment Date will be payable to holders of record of the Series B Preferred Stock as they appear on the stock books of the Corporation on a record date, not more than 60 days preceding such Dividend Payment Date, fixed for such purpose by the Board of Directors in advance of such Dividend Payment Date. Dividends payable on the Series B Preferred Stock for any period shorter than a year shall be computed on the basis of a 360-day year of twelve 30-day months. The Series B Preferred Stock shall rank on a parity with each other series of Preferred Stock as to the payment of dividends, except to the extent otherwise provided in Section 5 hereof or in the resolution or resolutions providing for the issuance of such other series.

SECTION 2. *Optional Redemption.* (a) At any time or from time to time, on or after December 31, 2001, the Series B Preferred Stock may be redeemed at the option of the Corporation, in whole or in part, out of funds legally available therefor, at a redemption price equal to $50.00 per share plus an amount equal to accrued and unpaid dividends (whether or not declared) to but excluding the date fixed for redemption. In addition to any restrictions or limitations contained in the Certificate of Incorporation, if any, if full cumulative dividends on the Series B Preferred Stock for all past dividend periods have not been paid or declared and set apart for payment, the Series B Preferred Stock may be redeemed only in full (but not in part) by the Corporation pursuant to this paragraph (a) and the Corporation shall not purchase or acquire any shares of Series B Preferred Stock other than pursuant to a purchase or exchange offer made on the same terms to all holders of the Series B Preferred Stock. If fewer than all the outstanding shares of Series B Preferred Stock

are to be redeemed, the Corporation will select those to be redeemed pro rata, by lot or by a substantially equivalent method.

(b) Notice of redemption pursuant to paragraph (a) of this Section 2 will be given by mail, not less than 30 days prior to the date fixed for redemption thereof, to each record holder of the shares of Series B Preferred Stock to be redeemed at the address of such holder in the stock register of the Corporation. If a notice of redemption has been given, from and after the specified redemption date (unless the Corporation defaults in making payment of the redemption price), dividends on the Series B Preferred Stock so called for redemption will cease to accrue, such shares will no longer be deemed to be outstanding, and all rights of the holders thereof as stockholders of the Corporation (except the right to receive the redemption price) will cease. Subject to applicable escheat and similar abandoned property laws, any moneys set aside by the Corporation for such redemption and unclaimed at the end of six months from the redemption date shall revert to the general funds of the Corporation, after which reversion the holders of such shares so called for redemption shall look only to the general funds of the Corporation for the payment of the amounts payable upon such redemption. Any interest accrued on funds so deposited shall be paid to the Corporation from time to time.

SECTION 3. *Voting.* The Series B Preferred Stock shall not have any voting rights except as required by law or the Certificate of Incorporation, or as hereinafter set forth:

(a) Whenever, at any time or times, dividends payable on the Series B Preferred Stock shall be in arrears for dividend periods, whether or not consecutive, containing in the aggregate a number of days equivalent to six calendar quarters, the holders of outstanding Series B Preferred Stock shall have the exclusive right, voting as a separate series from all other series of Preferred Stock and classes of capital stock of the Corporation, at each meeting of the stockholders held for the purpose of electing directors, to elect two directors of the Corporation, until such time as all dividends accumulated on the Series B Preferred Stock and in arrears shall have been paid in full or declared and set apart for payment, at which time the right of the holders of the Series B Preferred Stock to vote pursuant to the provisions of this paragraph (a) shall terminate, subject to revesting in the event of each and every subsequent default of the character and for the time above mentioned.

At any time when voting rights shall, pursuant to the provisions of this paragraph (a), be vested in the Series B Preferred Stock, the number of directors of the Corporation shall be automatically increased, to the extent necessary, so that two directors may be elected by the holders of the Series B Preferred Stock and a proper officer of the Corporation shall, upon the written request of the holders of record of at least ten percent in aggregate liquidation value of the Series B Preferred Stock then outstanding, addressed to the Secretary of the Corporation, call a special meeting of holders of the Series B Preferred Stock. Such meeting shall be held at the earliest practicable date but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the receipt by the Secretary of the Corporation of such request. If such meeting shall not be called by the proper officer of the Corporation as required within 20 days after personal service of the said written request upon the Secretary of the Corporation, or within 20 days after mailing the same within the United States of America by certified or registered mail, return receipt requested, addressed to the Secretary of the Corporation at its principal office (such mailing to be evidenced by the registry receipt issued by the postal authorities), then the holders of record of at least ten percent in aggregate liquidation value of the Series B Preferred Stock then outstanding may designate in writing one of their number to call such meeting, and such meeting may be called by such person designated upon the notice required for annual meetings of stockholders but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the receipt by the Secretary of the Corporation of such request. Any holder of the Series B Preferred Stock so designated shall have access to the stock books of the Corporation for the purpose of causing a meeting of stockholders to be called pursuant to these provisions.

Upon any termination of the right of the holders of the Series B Preferred Stock to vote for directors as a class as described in this paragraph (a), the term of office of the directors so elected as described in

this paragraph (a) shall automatically terminate and the number of directors shall be reduced accordingly.

(b) At any meeting so called pursuant to paragraph (a) above, and at any other meeting of stockholders held for the purpose of electing directors at which the holders of the Series B Preferred Stock shall have the right to elect directors as provided in paragraph (a) above, the presence in person or by proxy of a majority in voting power of the outstanding shares of the Series B Preferred Stock shall be required to constitute a quorum thereof for the election of any director by the holders of the Series B Preferred Stock.

At any such meeting or adjournment thereof, (x) the absence of the required quorum of the Series B Preferred Stock shall not prevent the election of directors other than those to be elected by the Series B Preferred Stock and the absence of a quorum for the election of such other directors shall not prevent the election of the directors to be elected by the Series B Preferred Stock, and (y) in the absence of the required quorum of the Series B Preferred Stock, a majority in voting power of the holders of Series B Preferred Stock present in person or by proxy shall have power to adjourn the meeting, subject to applicable law, but only with respect to the election of directors which they are entitled to elect from time to time without notice other than announcement at the meeting until a quorum shall be present.

(c) If by reason of any resignation, retirement, disqualification, death or removal there are not in office all such directors that the holders of the Series B Preferred Stock are entitled to elect pursuant to paragraph (a) above, then any such vacancy shall be filled only by the remaining director elected by such holders or, only in the event there is no such remaining director, by the holders of the Series B Preferred Stock entitled to vote thereon.

Promptly after the right of the holders of the Series B Preferred Stock to fill any vacancy as set forth in the immediately preceding paragraph arises, the Board of Directors may cause a special meeting of the holders of Series B Preferred Stock entitled to vote thereon to be held for the purpose of filling such vacancy, and such vacancy shall be filled at any such special meeting. Such meeting shall be held at the earliest practicable date, but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the occurrence of such vacancy.

Notwithstanding the immediately preceding paragraph, at any time after the right of the holders of the Series B Preferred Stock to fill any vacancy as set forth above in the first paragraph of this paragraph (c) arises, a proper officer of the Corporation shall, upon the written request of the holders of record of at least ten percent in aggregate liquidation value of the Series B Preferred Stock then outstanding, addressed to the Secretary of the Corporation, call a special meeting of holders of the Series B Preferred Stock. Such meeting shall be held at the earliest practicable date but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the occurrence of such vacancy. If such meeting shall not be called by the proper officer of the Corporation as required within 20 days after personal service of the said written request upon the Secretary of the Corporation, or within 20 days after mailing the same within the United States of America by registered mail addressed to the Secretary of the Corporation at its principal office (such mailing to be evidenced by the registry receipt issued by the postal authorities), then the holders of record of at least ten percent in aggregate liquidation value of the Series B Preferred Stock then outstanding may designate in writing one of their number to call such meeting, and such meeting may be called by such person designated upon the notice required for annual meetings of stockholders and shall be held at the place at which the last preceding annual meeting of the stockholders of the Corporation was held. Any holder of the Series B Preferred Stock so designated shall have access to the stock books of the Corporation for the purpose of causing a meeting of stockholders to be called pursuant to these provisions.

SECTION 4. *Restrictions on Dividends and Stock Repurchases.* Subject to any additional restrictions or limitations contained in the Certificate of Incorporation, if any, so long as any shares of Series B Preferred Stock remain outstanding, unless full cumulative dividends on the outstanding shares of Series B Preferred Stock for all past dividend periods have been paid, or declared and set apart for payment, dividends may not be

paid or declared and other distributions may not be made upon any class or series of stock of the Corporation ranking junior to or on a parity with the Series B Preferred Stock as to dividends or rights upon dissolution, liquidation or winding up of the Corporation nor may any such class or series of stock of the Corporation be redeemed, purchased, retired or otherwise acquired by the Corporation, in either case without the consent, given in person or by proxy, either in writing or by vote at any annual meeting or at a special meeting called for that purpose, of the holders of at least a majority in voting power of the outstanding shares of Series B Preferred Stock present in person or by proxy at such meeting, provided that a quorum, consisting of at least a majority in voting power of the then outstanding shares of Series B Preferred Stock is present; *provided, however,* that, notwithstanding the foregoing provisions of this Section 4 (but subject to any restrictions or limitations to the contrary contained in the Certificate of Incorporation), the Corporation may at any time redeem, purchase or acquire, out of funds legally available therefor, shares of stock ranking junior to or on a parity with the Series B Preferred Stock as to dividends and rights upon liquidation, dissolution and winding up of the Corporation in exchange for, or out of net cash proceeds from a substantially concurrent sale of, other shares of any stock of the Corporation ranking junior to the Series B Preferred Stock as to dividends and rights upon liquidation, dissolution and winding up.

SECTION 5. *Ranking.* (a) Any class or series of stock of the Corporation shall be deemed to rank:

(i) prior to the Series B Preferred Stock as to the payment of dividends or as to distributions of assets upon liquidation, dissolution or winding up, as the case may be, if the holders of such class or series shall be entitled to the receipt of dividends or of amounts distributable upon liquidation, dissolution or winding up, as the case may be, in preference or priority to the holders of Series B Preferred Stock;

(ii) on a parity with the Series B Preferred Stock as to the payment of dividends, whether or not the dividend rates or dividend payment dates thereof be different from those of the Series B Preferred Stock, if the holders of such class or series of stock and the holders of the Series B Preferred Stock shall be entitled to the receipt of dividends in proportion to their respective amounts of accrued and unpaid dividends per share, without preference or priority one over the other, and on a parity with the Series B Preferred Stock as to the distribution of assets upon liquidation, dissolution or winding up, whether or not the liquidation prices per share thereof be different from those of the Series B Preferred Stock, if the holders of such class or series of stock and the holders of the Series B Preferred Stock shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in proportion to their respective liquidation preferences, without preference or priority one over the other; and

(iii) junior to the Series B Preferred Stock as to the payment of dividends or as to the distribution of assets upon liquidation, dissolution or winding up, as the case may be, if the holders of Series B Preferred Stock shall be entitled to receipt of dividends or of amounts distributable upon liquidation, dissolution or winding up, as the case may be, in preference or priority to the holders of shares of such class or series.

(b) Except for the Common Stock, par value $0.01 per share, of the Corporation (as such may be constituted from time to time, the "Common Stock"), each other class and series of stock of the Corporation existing on the date of the adoption of this Certificate shall be deemed to rank prior to the Series B Preferred Stock both as to the payment of dividends and as to the distribution of assets upon liquidation, dissolution or winding up. The Common Stock shall be deemed to rank junior to the Series B Preferred Stock both as to the payment of dividends and as to the distribution of assets upon liquidation, dissolution or winding up.

SECTION 6. *Liquidation Rights.* (a) The amount that the holders of Series B Preferred Stock shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the Corporation, whether voluntary or involuntary (collectively, a "Liquidation"), shall be $50.00 per share, plus an amount equal to all accrued and unpaid dividends to the date of Liquidation, and no more. After such amount is paid in full, no further distributions or payments shall be made in respect of shares of Series B Preferred Stock, such shares of Series B Preferred Stock shall no longer be deemed to be outstanding or be entitled to any powers, preferences, rights or privileges, including any voting rights, and certificates representing such shares of Series B Preferred Stock shall be surrendered for cancellation to the Corporation.

(b) In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, then, before any distribution or payment shall be made to the holders of any class or series of stock of the Corporation ranking junior to the Series B Preferred Stock, the holders of the Series B Preferred Stock (subject to the rights of the holders of any stock ranking prior to the Series B Preferred Stock as to rights on liquidation, dissolution and winding up) shall be entitled to be paid in full the amounts set forth in paragraph (a) of this Section 6. After such payment shall have been made in full to the holders of the Series B Preferred Stock, the remaining assets and funds of the Corporation shall be distributed among the holders of the stock of the Corporation ranking junior in respect thereof to the Series B Preferred Stock according to their respective rights. In the event that the assets of the Corporation available for distribution to holders of Series B Preferred Stock shall not be sufficient to make the payment herein required to be made in full and to pay in full the liquidation preference on all other shares of stock of the Corporation ranking on a parity with the Series B Preferred Stock as to amounts distributable upon dissolution, liquidation or winding up of the Corporation, such assets shall be distributed to the holders of the respective shares of Series B Preferred Stock and any such other parity stock pro rata in proportion to the full amounts payable upon the shares of Series B Preferred Stock and any such other parity stock if all amounts payable thereon were paid in full.

SECTION 7. *Maturity*. Unless otherwise redeemed as provided herein, the term of the Series B Preferred Stock shall be perpetual.

IN WITNESS WHEREOF, said El Paso Tennessee Pipeline Co. has caused this Certificate to be signed by Stacy J. James, as Secretary, this 6th day of March, 1997.

EL PASO TENNESSEE PIPELINE CO.

By: Stacy J. James

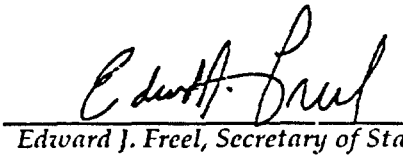
Stacy J. James
Secretary

847670104

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF DESIGNATION OF "EL PASO TENNESSEE PIPELINE CO.", FILED IN THIS OFFICE ON THE FOURTH DAY OF MARCH, A.D. 1998, AT 4:30 O'CLOCK P.M.



847670105

Edward J. Freel, Secretary of State

AUTHENTICATION: 8954210

DATE: 03-05-98

2140052 8100

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EL PASO TENNESSEE PIPELINE CO.

CERTIFICATE OF DESIGNATION, PREFERENCES AND RIGHTS OF PREFERRED STOCK BY RESOLUTION OF THE BOARD OF DIRECTORS PROVIDING FOR AN ISSUE OF 1,210,000 SHARES OF PREFERRED STOCK DESIGNATED "6¼% CUMULATIVE JUNIOR PREFERRED STOCK, SERIES C"

I, David L. Siddall, Corporate Secretary of El Paso Tennessee Pipeline Co. (hereinafter referred to as the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 151 thereof, DO HEREBY CERTIFY:

That pursuant to authority conferred upon the Board of Directors by the Certificate of Incorporation, as amended, of said Corporation, the Board of Directors, by unanimous written consent, pursuant to Section 141(f) of the General Corporation Law of the State of Delaware, dated as of February 26, 1998, adopted a resolution providing for the issuance of a series of Preferred Stock, to be designated "6¼% Cumulative Junior Preferred Stock, Series C," which resolution is as follows:

RESOLVED, that pursuant to the authority vested in the Board of Directors of the Corporation by the Certificate of Incorporation, as amended (as such may be further amended from time to time, the "Certificate of Incorporation"), a series of Preferred Stock, par value $0.01 per share, of the Corporation (the "Preferred Stock") be, and hereby is, created to be designated "6¼% Cumulative Junior Preferred Stock, Series C" (hereinafter referred to as the "Series C Preferred Stock"), consisting of 1,210,000 shares, and the designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions of the Series C Preferred Stock are hereby fixed and stated to be as follows (all terms used herein that are defined in the Certificate of Incorporation shall be deemed to have the meanings provided therein):

SECTION 1. Dividends. (a) The dividend rate on the Series C Preferred Stock shall be 6¼% of $50 per share of Series C Preferred Stock per annum. Dividends on shares of the Series C Preferred Stock shall accrue, whether or not declared, on a daily basis from the date of issuance of such shares. Accrued but unpaid dividends shall not bear interest.

(b) Dividends on the Series C Preferred Stock shall be payable, when, as and if declared by the Board of Directors of the Corporation out of assets legally available therefor, annually on the last day of January in each year (each, a "Dividend Payment Date"), with the first dividend payment date being the next Dividend Payment Date following the date of issuance. Dividends on each Dividend Payment Date will be payable to holders of record of the Series C Preferred Stock as they appear on the stock books of the Corporation on a record date, not more than 60 days preceding such Dividend Payment Date, fixed for such purpose by the Board of Directors in advance of such Dividend Payment Date. Dividends payable on the Series C Preferred Stock for any period shorter than a year shall be computed on the basis of a 360-day year of twelve 30-day months. The Series C Preferred Stock shall rank on a parity with each other series of Preferred Stock as to the payment of dividends, except to the extent otherwise provided in Section 5 hereof or in the resolution or resolutions providing for the issuance of such other series.

SECTION 2. Voting. The Series C Preferred Stock shall not have any voting rights except as required by law or the Certificate of Incorporation, or as hereinafter set forth:

(a) Whenever, at any time or times, dividends payable on the Series C Preferred Stock shall be in arrears for dividend periods, whether or not consecutive, containing in the aggregate a number of days equivalent to six calendar quarters, the holders of outstanding Series C Preferred Stock shall have the exclusive right, voting as a separate series from all other series of Preferred Stock and classes of capital stock of the Corporation, at each meeting of the stockholders held for the purpose of electing directors, to elect two directors of the Corporation, until such time as all dividends accumulated on the Series C Preferred Stock and in arrears shall have been paid in full or declared and set apart for payment, at which time the right of the holders of the Series C Preferred Stock to vote pursuant to the provisions of this paragraph (a) shall terminate, subject to revesting in the event of each and every subsequent default of the character and for the time above mentioned.

At any time when voting rights shall, pursuant to the provisions of this paragraph (a), be vested in the Series C Preferred Stock, the number of directors of the Corporation shall be automatically increased, to the extent necessary, so that two directors may be elected by the holders of the Series C Preferred Stock and a proper officer of the Corporation shall, upon the written request of the holders of record of at least ten percent in aggregate liquidation value of the Series C Preferred Stock then outstanding, addressed to the Secretary of the Corporation, call a special meeting of holders of the Series C Preferred Stock. Such meeting shall be held at the earliest practicable date but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the receipt by the Secretary of the Corporation of such request. If such meeting shall not be called by the proper officer of the Corporation as required within 20 days after personal service of the said written request upon the Secretary of the Corporation, or within 20 days after mailing the same within the United States of America by certified or registered mail, return receipt requested, addressed to the Secretary of the Corporation at its principal office (such mailing to be evidenced by the registry receipt issued by the postal authorities), then the holders of record of at least ten percent in aggregate liquidation value of the Series C Preferred Stock then outstanding may designate in writing one of their number to call such meeting, and such meeting may be called by such person designated upon the notice required for annual meetings of stockholders but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the receipt by the Secretary of the Corporation of such request. Any holder of the Series C Preferred Stock so designated shall have access to the stock books of the Corporation for the purpose of causing a meeting of stockholders to be called pursuant to these provisions. Upon any termination of the right of the holders of the Series C Preferred Stock to vote for directors as a class as described in this paragraph (a), the term of office of the directors so elected as described in this paragraph (a) shall automatically terminate and the number of directors shall be reduced accordingly.

(b) At any meeting so called pursuant to paragraph (a) above, and at any other meeting of stockholders held for the purpose of electing directors at which the holders of the Series C Preferred Stock shall have the right to elect directors as provided in paragraph (a) above, the presence in person or by proxy of a majority in voting power of the outstanding shares of the Series C Preferred Stock shall be required to constitute a quorum thereof for the election of any director by the holders of the Series C Preferred Stock.

At any such meeting or adjournment thereof, (x) the absence of the required quorum of the Series C Preferred Stock shall not prevent the election of directors other than those to be elected by the Series C Preferred Stock and the absence of a quorum for the election of such other directors shall not prevent the election of the directors to be elected by the Series C Preferred Stock, and (y) in the absence of the required quorum of the Series C Preferred Stock, a majority in voting power of the holders of Series C Preferred Stock present in person or by proxy shall have power to adjourn the meeting, subject to applicable law, but

only with respect to the election of directors which they are entitled to elect from time to time without notice other than announcement at the meeting until a quorum shall be present.

(c) If by reason of any resignation, retirement, disqualification, death or removal there are not in office all such directors that the holders of the Series C Preferred Stock are entitled to elect pursuant to paragraph (a) above, then any such vacancy shall be filled only by the remaining director elected by such holders or, only in the event there is no such remaining director, by the holders of the Series C Preferred Stock entitled to vote thereon.

Promptly after the right of the holders of the Series C Preferred Stock to fill any vacancy as set forth in the immediately preceding paragraph arises, the Board of Directors may cause a special meeting of the holders of Series C Preferred Stock entitled to vote thereon to be held for the purpose of filling such vacancy, and such vacancy shall be filled at any such special meeting. Such meeting shall be held at the earliest practicable date, but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the occurrence of such vacancy.

Notwithstanding the immediately preceding paragraph, at any time after the right of the holders of the Series C Preferred Stock to fill any vacancy as set forth above in the first paragraph of this paragraph (c) arises, a proper officer of the Corporation shall, upon the written request of the holders of record of at least ten percent in aggregate liquidation value of the Series C Preferred Stock then outstanding, addressed to the Secretary of the Corporation, call a special meeting of holders of the Series C Preferred Stock. Such meeting shall be held at the earliest practicable date but in no event shall a special meeting be held if the annual meeting of stockholders of the Corporation is to be held within 90 days of the occurrence of such vacancy. If such meeting shall not be called by the proper officer of the Corporation as required within 20 days after personal service of the said written request upon the Secretary of the Corporation, or within 20 days after mailing the same within the United States of America by registered mail addressed to the Secretary of the Corporation at its principal office (such mailing to be evidenced by the registry receipt issued by the postal authorities), then the holders of record of at least ten percent in aggregate liquidation value of the Series C Preferred Stock then outstanding may designate in writing one of their number to call such meeting, and such meeting may be called by such person designated upon the notice required for annual meetings of stockholders and shall be held at the place at which the last preceding annual meeting of the stockholders of the Corporation was held. Any holder of the Series C Preferred Stock so designated shall have access to the stock books of the Corporation for the purpose of causing a meeting of stockholders to be called pursuant to these provisions.

SECTION 3. Restrictions on Dividends and Stock Repurchases. Subject to any additional restrictions or limitations contained in the Certificate of Incorporation, if any, so long as any shares of Series C Preferred Stock remain outstanding, unless full cumulative dividends on the outstanding shares of Series C Preferred Stock for all past dividend periods have been paid, or declared and set apart for payment, dividends may not be paid or declared and other distributions may not be made upon any class or series of stock of the Corporation ranking junior to or on a parity with the Series C Preferred Stock as to dividends or rights upon dissolution, liquidation or winding up of the Corporation nor may any such class or series of stock of the Corporation be redeemed, purchased, retired or otherwise acquired by the Corporation, in either case without the consent, given in person or by proxy, either in writing or by vote at any annual meeting or at a special meeting called for that purpose, of the holders of at least a majority in voting power of the outstanding shares of Series C Preferred Stock present in person or by proxy at such meeting, provided that a quorum, consisting of at least a majority in voting power of the then outstanding shares of Series C Preferred Stock is present; provided, however, that, notwithstanding the foregoing provisions of this Section 3 (but subject to any restrictions or limitations to the contrary contained in the

Certificate of Incorporation), the Corporation may at any time redeem, purchase or acquire, out of funds legally available therefor, shares of stock ranking junior to or on a parity with the Series C Preferred Stock as to dividends and rights upon liquidation, dissolution and winding up of the Corporation in exchange for, or out of net cash proceeds from a substantially concurrent sale of, other shares of any stock of the Corporation ranking junior to the Series C Preferred Stock as to dividends and rights upon liquidation, dissolution and winding up.

SECTION 4. Ranking. (a) Any class or series of stock of the Corporation shall be deemed to rank: (i) prior to the Series C Preferred Stock as to the payment of dividends or as to distributions of assets upon liquidation, dissolution or winding up, as the case may be, if the holders of such class or series shall be entitled to the receipt of dividends or of amounts distributable upon liquidation, dissolution or winding up, as the case may be, in preference or priority to the holders of Series C Preferred Stock; (ii) on a parity with the Series C Preferred Stock as to the payment of dividends, whether or not the dividend rates or dividend payment dates thereof be different from those of the Series C Preferred Stock, if the holders of such class or series of stock and the holders of the Series C Preferred Stock shall be entitled to the receipt of dividends in proportion to their respective amounts of accrued and unpaid dividends per share, without preference or priority one over the other, and on a parity with the Series C Preferred Stock as to the distribution of assets upon liquidation, dissolution or winding up, whether or not the liquidation prices per share thereof be different from those of the Series C Preferred Stock, if the holders of such class or series of stock and the holders of the Series C Preferred Stock shall be entitled to the receipt of amounts distributable upon liquidation, dissolution or winding up in proportion to their respective liquidation preferences, without preference or priority one over the other; and (iii) junior to the Series C Preferred Stock as to the payment of dividends or as to the distribution of assets upon liquidation, dissolution or winding up, as the case may be, if the holders of Series C Preferred Stock shall be entitled to receipt of dividends or of amounts distributable upon liquidation, dissolution or winding up, as the case may be, in preference or priority to the holders of shares of such class or series.

(b) Except for the Common Stock, par value $0.01 per share, of the Corporation (as such may be constituted from time to time, the "Common Stock"), each other class and series of stock of the Corporation existing on the date of the adoption of this Certificate of Designation, Preferences and Rights of Preferred Stock shall be deemed to rank prior to the Series C Preferred Stock both as to the payment of dividends and as to the distribution of assets upon liquidation, dissolution or winding up. The Common Stock shall be deemed to rank junior to the Series C Preferred Stock both as to the payment of dividends and as to the distribution of assets upon liquidation, dissolution or winding up.

SECTION 5. Liquidation Rights. (a) The amount that the holders of Series C Preferred Stock shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the Corporation, whether voluntary or involuntary (collectively, a "Liquidation"), shall be $50.00 per share, plus an amount equal to all accrued and unpaid dividends to the date of Liquidation, and no more. After such amount is paid in full, no further distributions or payments shall be made in respect of shares of Series C Preferred Stock, such shares of Series C Preferred Stock shall no longer be deemed to be outstanding or be entitled to any powers, preferences, rights or privileges, including any voting rights, and certificates representing such shares of Series C Preferred Stock shall be surrendered for cancellation to the Corporation.

(b) In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, then, before any distribution or payment shall be made to the holders of any class or series of stock of the Corporation ranking junior to the Series C Preferred Stock, the holders of the Series C Preferred Stock (subject to the rights of the holders of any stock ranking prior to the Series C Preferred Stock as to rights

on liquidation, dissolution and winding up) shall be entitled to be paid in full the amounts set forth in paragraph (a) of this Section 5. After such payment shall have been made in full to the holders of the Series C Preferred Stock, the remaining assets and funds of the Corporation shall be distributed among the holders of the stock of the Corporation ranking junior in respect thereof to the Series C Preferred Stock according to their respective rights. In the event that the assets of the Corporation available for distribution to holders of Series C Preferred Stock shall not be sufficient to make the payment herein required to be made in full and to pay in full the liquidation preference on all other shares of stock of the Corporation ranking on a parity with the Series C Preferred Stock as to amounts distributable upon dissolution, liquidation or winding up of the Corporation, such assets shall be distributed to the holders of the respective shares of Series C Preferred Stock and any such other parity stock pro rata in proportion to the full amounts payable upon the shares of Series C Preferred Stock and any such other parity stock if all amounts payable thereon were paid in full.

SECTION 6. Maturity. Unless otherwise redeemed as provided herein, the term of the Series C Preferred Stock shall be perpetual.

IN WITNESS WHEREOF, said El Paso Tennessee Pipeline Co. has caused this Certificate of Designation, Preferences and Rights of Preferred Stock to be signed by David L. Siddall, as Corporate Secretary, this 4th day of March 1998.

EL PASO TENNESSEE PIPELINE CO.

By: David L. Siddall

David L. Siddall
Corporate Secretary

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF DESIGNATION OF "EL PASO TENNESSEE PIPELINE CO.", FILED IN THIS OFFICE ON THE NINETEENTH DAY OF JANUARY, A.D. 1999, AT 10 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Edward J. Freel, Secretary of State

847670111

2140052 8100

991020941

AUTHENTICATION: 9529401

DATE: 01-20-99

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF DESIGNATION OF "EL PASO TENNESSEE PIPELINE CO.", FILED IN THIS OFFICE ON THE NINETEENTH DAY OF JANUARY, A.D. 1999, AT 10:01 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

847670112

Edward J. Freel, Secretary of State

2140052 8100

991020945

AUTHENTICATION: 9529515

DATE: 01-20-99

State of Delaware

Office of the Secretary of State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"EL PASO MERCHANT ENERGY GROUP, L.L.C.", A DELAWARE LIMITED LIABILITY COMPANY,

WITH AND INTO "EL PASO TENNESSEE PIPELINE CO." UNDER THE NAME OF "EL PASO TENNESSEE PIPELINE CO.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE TWENTY-SECOND DAY OF DECEMBER, A.D. 2000, AT 12 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF MERGER IS THE THIRTY-FIRST DAY OF DECEMBER, A.D. 2000.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Harriet Smith Windsor

Secretary of State

2140052 8100M

001648424

AUTHENTICATION: 0882347

DATE: 12-28-00

847670113

CERTIFICATE OF MERGER

OF

EL PASO MERCHANT ENERGY GROUP, L.L.C.

WITH AND INTO

EL PASO TENNESSEE PIPELINE CO.

Pursuant to Section 264 of the General
Corporation Law of the State of Delaware ("GCLD")
and Section 18-209 of the
Delaware Limited Liability Company Act ("DLLCA")

El Paso Tennessee Pipeline Co., a Delaware corporation, hereby certifies to the following facts relating to the merger of El Paso Merchant Energy Group, L.L.C., a Delaware limited liability company, with and into El Paso Tennessee Pipeline Co., a Delaware limited liability company (the "Merger").

First: The name and jurisdiction of formation or organization of each of the constituent entities to the Merger are:

Name	State
El Paso Tennessee Pipeline Co.	Delaware
El Paso Merchant Energy Group, L.L.C.	Delaware

Second: An Agreement of Merger dated December 18, 2000 (the "Merger Agreement"), has been approved, adopted, certified, executed, and acknowledged by each of the constituent entities to the Merger in accordance with Section 264(c) of the GCLD and Section 18-209 of the DLLCA.

Third: The name of the surviving entity is El Paso Tennessee Pipeline Co.

Fourth: The existing Certificate of Incorporation shall be the Certificate of Incorporation of the surviving entity.

Fifth: The effective time of the Merger shall be December 31, 2000.

Sixth: An executed copy of the Merger Agreement is on file at the place of business of El Paso Tennessee Pipeline Co., 1001 Louisiana Street, Houston, Texas 77002.

Seventh: A copy of the Merger Agreement will be furnished upon request and without cost to any stockholder of El Paso Tennessee Pipeline Co. or to any member of El Paso Merchant Energy Group, L.L.C.

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 12:00 PM 12/22/2000
001648424 - 2140052

847670114

IN WITNESS WHEREOF, El Paso Tennessee Pipeline Co. has caused this Certificate of Merger to be duly executed by its sole Member this 20th day of December 2000.

EL PASO TENNESSEE PIPELINE CO.
Sole Member

By: _____
Jeffrey L. Beason
Senior Vice President

CERTIFICATE OF MERGER

OF

EL PASO MERCHANT ENERGY GROUP, L.L.C.

WITH AND INTO

EL PASO TENNESSEE PIPELINE CO.

Pursuant to Section 264 of the General
Corporation Law of the State of Delaware ("GCLD")
and Section 18-209 of the
Delaware Limited Liability Company Act ("DLLCA")

El Paso Tennessee Pipeline Co., a Delaware corporation, hereby certifies to the following facts relating to the merger of El Paso Merchant Energy Group, L.L.C., a Delaware limited liability company, with and into El Paso Tennessee Pipeline Co., a Delaware limited liability company (the "Merger").

First: The name and jurisdiction of formation or organization of each of the constituent entities to the Merger are:

Name	State
El Paso Tennessee Pipeline Co.	Delaware
El Paso Merchant Energy Group, L.L.C.	Delaware

Second: An Agreement of Merger dated December 18, 2000 (the "Merger Agreement"), has been approved, adopted, certified, executed, and acknowledged by each of the constituent entities to the Merger in accordance with Section 264(c) of the GCLD and Section 18-209 of the DLLCA.

Third: The name of the surviving entity is El Paso Tennessee Pipeline Co.

Fourth: The existing Certificate of Incorporation shall be the Certificate of Incorporation of the surviving entity.

Fifth: The effective time of the Merger shall be December 31, 2000.

Sixth: An executed copy of the Merger Agreement is on file at the place of business of El Paso Tennessee Pipeline Co., 1001 Louisiana Street, Houston, Texas 77002.

Seventh: A copy of the Merger Agreement will be furnished upon request and without cost to any stockholder of El Paso Tennessee Pipeline Co. or to any member of El Paso Merchant Energy Group, L.L.C.

IN WITNESS WHEREOF, El Paso Tennessee Pipeline Co. has caused this Certificate of Merger to be duly executed by its sole Member this 20th day of December 2000.

EL PASO TENNESSEE PIPELINE CO.
Sole Member

By: _____
Jeffrey I. Beason
Senior Vice President

847670117

AGREEMENT OF MERGER

BETWEEN

EL PASO TENNESSEE PIPELINE CO.
A Delaware corporation

AND

EL PASO MERCHANT ENERGY GROUP, L.L.C.
A Delaware limited liability company

AGREEMENT OF MERGER, made this 18th day of December 2000 (the "Agreement"), by and between El Paso Tennessee Pipeline Co., a Delaware corporation (the "Corporation"), and El Paso Merchant Energy Group, L.L.C., a Delaware limited liability company (the "LLC").

W I T N E S S E T H:

WHEREAS, the Corporation desires to acquire the property and other assets, and to assume all of the liabilities and obligations of the LLC by means of a merger (the "Merger") of the LLC with and into the Corporation;

WHEREAS, Section 18-209 of the Delaware Limited Liability Company Act, 6 Del. C. §18-101, et. seq. (the "Act"), authorizes the merger of a Delaware limited liability company with and into a Delaware corporation and Section 264 of the General Corporation Law of the State of Delaware, 8 Del. C. §101, et. seq. (the "GCLD") authorizes the merger of a Delaware corporation with a Delaware limited liability company;

WHEREAS, the Corporation and the LLC now desire to consummate the Merger, following which the Corporation shall be the surviving business entity (sometimes hereinafter in such capacity, the "Survivor");

WHEREAS, each of (i) the Members of the LLC, and (ii) the Board of Directors of the Corporation, has approved this Agreement and the consummation of the Merger;

WHEREAS, the Board of Directors of the LLC has directed that this Agreement be submitted to is sole member for approval;

NOW, THEREFORE, in consideration of the premises and the mutual agreements and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Article I: The Merger

Section 1.01 - The Merger

(a) Pursuant to the terms of this Agreement, the LLC shall merge with and into the Corporation. The Merger will take effect at 8:00 a.m. (Eastern Time) on December 31, 2000 (the "Effective Time").

(b) At the Effective Time, the LLC shall be merged with and into the Corporation, whereupon the separate existence of the LLC shall cease, and the Corporation shall be the surviving entity of the Merger in accordance with Section 18-209 of the Act and Section 264 of the GCLD.

(c) The Corporation as the surviving entity shall continue its existence as a corporation under the laws of the State of Delaware.

Article II: The Survivor

Section 2.01 - The Survivor

The name of the surviving entity is El Paso Tennessee Pipeline Co.

Section 2.02 - Certificate of Incorporation

The Certificate of Incorporation of the Corporation in effect immediately prior to the Effective Time shall be the Certificate of Incorporation of the Corporation unless and until amended in accordance with such Certificate of Incorporation and applicable law.

Section 2.03 – Bylaws

The By-laws of the Corporation in effect immediately prior to the Effective Time shall be the By-laws of the Survivor unless and until amended in accordance with such agreement.

Section 2.04 - Directors and Officers

The directors and officers of the Corporation immediately prior to the Effective Time shall be the directors and officers, respectively, of the Survivor at and after the Effective Time until expiration of their current terms and until their successors are elected and qualified, or prior resignation, removal, or death, subject to the By-laws of the Corporation and subsequent actions by the stockholders and/or directors of the Survivor.

Article III: Transfer of Assets and Liabilities

Section 3.01 - Transfer and Conveyance

At the Effective Time, all of the rights, privileges, and powers of the LLC and the Corporation, and all property, real, personal, and mixed, and all debts due to each of the LLC and the Corporation, as well as all other things and causes of action belonging to each of the LLC and the Corporation shall be vested in the Corporation as the Survivor, and shall thereafter be the property of the Survivor.

Section 3.02 - Assumption

At the Effective Time, the Corporation as the Survivor, shall be liable for all of the liabilities and obligations of LLC in accordance with Section 18-209 of the Act and Section 264 of the GCLD.

Article IV: Treatment of Shares of the Corporation and Membership Interest of the LLC

Section 4.01 - Cancellation of Shares of the LLC

At the Effective Time, each membership interest Share of the LLC outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, be cancelled and no consideration shall be delivered in exchange thereof.

Section 4.02 - Shares of the Corporation

At the Effective Time, each share of the Corporation, outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, be unaffected by the Merger and shall remain outstanding as a share of the Corporation.

Article V: Amendment, Termination

Section 5.01 - Termination

This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, whether before or after approval by the shareholders of the Corporation or the members of the LLC, by mutual written consent of the Boards of Directors of the Corporation and the LLC.

Section 5.02 - Effect of Termination

If this Agreement is terminated pursuant to Section 5.01, this Agreement shall become void and of no effect with no liability on the part of either party hereto.

Section 5.03 - Amendment

The parties hereto, by mutual consent of the Board of Directors of the Corporation and the Board of Directors of the LLC, may amend, modify, or supplement this Agreement in such manner as may be agreed upon by them in writing at any time before or after adoption and approval of this Agreement by the shareholders of the Corporation and the members of the LLC but not later than the Effective Time; provided, however, that no such amendment, modification, or supplement that has not been adopted and approved by the shareholders of the Corporation and the members of the LLC shall be inconsistent with the provisions of the Act or the GCLD.

Article VI: Covenants of the LLC

Section 6.01 - Covenants of the LLC

If at any time the Corporation shall consider or be advised that any further assignment, conveyance, or assurance is necessary or advisable to vest, perfect, or confirm of record in the Survivor the title to any property or right of the LLC, or otherwise to carry out the provisions hereof, the proper representatives of the LLC as of the Effective Time shall execute and deliver any and all proper deeds, assignments, and assurances and do all things necessary or proper to vest, perfect, or convey title to such

property or right in the Survivor, and otherwise to carry out the provisions hereof.

Section 6.02 - Authorization of the LLC

Upon or after the Effective Time, such persons as shall be authorized by the Board of Directors of the Corporation shall be authorized to execute, acknowledge, verify, deliver, file, and record, for and in the name of the LLC, any and all documents and instruments and shall do and perform any and all acts required by applicable law that the Board of Directors may deem necessary or advisable, in order to effectuate the Merger and carry out the transactions contemplated hereby.

Article VII: Miscellaneous

Section 7.01 - No Waivers

No failure or delay by any party hereto in exercising any right, power, or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other right, power, or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.02 - Integration

This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, written or oral, between and among the parties with respect to the subject matter hereof.

Section 7.03 - Successors and Assigns

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that no party may assign, delegate, or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto.

Section 7.04 - **GOVERNING LAW**

THIS AGREEMENT SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY, AND PERFORMANCE, BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF DELAWARE WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

Section 7.05 - Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement, and when executed shall be binding on the parties hereto.

Section 7.06 - Entire Agreement

The parties acknowledge that there are no written agreements, contracts, covenants, promises, representations, warranties, inducements, or understandings among them, with respect to the subjects hereof, except the Merger Agreement, the other agreements and letters referred to as surviving

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the effectiveness of the Merger under the Merger Agreement and the related agreements and the exhibits thereto.

Section 7.07 - Severability.

In the event that one or more of the provisions of this Agreement shall be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

EL PASO TENNESSEE PIPELINE CO.

By: _____
Name: David L. Siddall
Title: Vice President

EL PASO MERCHANT ENERGY GROUP, L.L.C.
By: El Paso Tennessee Pipeline Co., its sole member

By: _____
Name: David L. Siddall
Title: Vice President

Applies to
14(e)

State of Delaware

Office of the Secretary of State PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "H D N CORPORATION", FILED IN THIS OFFICE ON THE TWENTY-EIGHTH DAY OF JUNE, A.D. 1963, AT 10 O'CLOCK A.M.

Edward J. Freel, Secretary of State

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AUTHENTICATION: 9576338

DATE: 02-16-99

CERTIFICATE OF INCORPORATION

OF

H D N CORPORATION

FIRST. The name of the Corporation is H D N CORPORATION.

SECOND. Its principal office in the State of Delaware is located at No. 100 West Tenth Street, in the City of Wilmington, County of New Castle. The name and address of its resident agent is The Corporation Trust Company, No. 100 West Tenth Street, Wilmington 99, Delaware.

THIRD. The nature of the business, or objects or purposes to be transacted, promoted or carried on are:

To prepare, manufacture, compound, refine, distill, treat, analyze, synthesize, produce, buy, sell, distribute, import, export, and in every other way deal in or with acetylene, ethylene, propylene, butylenes, and other unsaturated hydrocarbons, benzene, xylenes, napthalenes, and other aromatics, chlorine and chlorinated hydrocarbons, nitrogen and nitrogen compounds, plastics, resins, alcohols, organic anhydrides and acids, fertilizers, any and all kinds of synthetic and industrial chemicals, and any products, by-products, compounds and derivatives therefrom; to acquire, own, maintain, operate, adapt, utilize, buy, sell, and otherwise deal in and with all articles, ingredients, materials, apparatus, machinery, implements, processes, patents and things used or of use in the manufacture, compounding, maintenance, and working of any of the foregoing whether alone or in connection with products of which they are ingredients or in the manufacture or compounding of which they are a factor

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To construct, build, purchase, lease, equip or otherwise acquire, and to hold, own, improve, develop, manage, maintain, control, lease, mortgage, create liens upon, sell, convey or otherwise dispose of and turn to account, any and all plants, machinery, works, refineries, implements and things or property, real or personal, of every kind and description incidental to, connected with or suitable or convenient for any of the purposes enumerated in this certificate of incorporation; any and all pipe lines, transmission line, pumping stations, terminals, storage tanks or reservoirs and all appurtenances relative thereto for use in connection with the storage and transportation of oil, crude petroleum and refined petroleum products, or combinations thereof, or similar thereto, natural and artificial gas, casinghead and natural gasoline and any other liquids or gas; any and all tracks, locomotive, railroad cars, tank cars, motor cars, motor trucks and vehicles of any and every description, necessary or convenient in connection with any of the businesses enumerated in this certificate of incorporation; and any and all ships, docks, boats, barges, floats and vessels (whether operated by steam, electric, oil, gasoline or any other power), docks, wharves, dry docks, repair shops, elevators, piers, terminals, warehouses and storage plants, facilities, connections and installations necessary or convenient for any of the businesses enumerated in this certificate of incorporation.

To acquire by lease, purchase, contract, concession

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[illegible] otherwise, and to own, develop, explore, exploit, improve, operate, lease, enjoy, control, manage or otherwise [illegible] account, mortgage, grant, sell, exchange, convey or [illegible] dispose of any and all real estate, lands, options, concessions, leases, grants, land patents, franchises, deposits, mines, mining rights, quarries, locations, claims, rights, privileges and easements, tenements, appurtenances and hereditaments, interests and properties of every description and nature whatsoever which this Corporation may deem [illegible] proper in connection with the conduct of any business or businesses enumerated in this Certificate of Incorporation or in any other business in which this Corporation may lawfully engage.

[illegible] carry on and conduct research work upon any and all problems arising in connection with the development of [illegible] for the production and transportation of oil, gas, [illegible] and other minerals and the refining and extraction [illegible] and the reforming of any mineral or petroleum product or by-product or derivative thereof or in connection with any of the other objects and purposes of the Corporation.

[illegible] manufacture, purchase or otherwise acquire, invest in, own, mortgage, pledge, sell, assign and transfer or [illegible] dispose of, trade, deal in and deal with goods, wares and merchandise and personal property of every class [illegible].

[illegible] acquire, and pay for in cash, stock or bonds of

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this Corporation or otherwise, the good will, rights, assets and property, and to undertake or assume the whole or any part of the obligations or liabilities of any person, firm, association or corporation.

To enter into, make and perform contracts of every kind and description with any person, firm, association, corporation, municipality, county, state, body politic or government or colony or dependency thereof.

To borrow or raise moneys for any of the purposes of the Corporation, and from time to time, without limit as to amount to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereon by mortgage upon or pledge, conveyance or assignment in trust of the whole or any part of the property of the Corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds or other obligations of the Corporation for its corporate purposes.

To loan to any person, firm or corporation any of its funds, either with or without security.

To have one or more offices, to carry on all or any of its operations and business and without restriction or limit as to amount to purchase or otherwise acquire, hold, [illegible], sell, convey, or otherwise dispose of real

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and personal property of every class and description in any of the States, Districts, Territories or Colonies of the United States, and in any and all foreign countries, subject to the laws of such State, District, Territory, Colony or Country.

To conduct and carry on any of the objects and purposes herein enumerated through or by means of investment in subsidiaries or in the stock, securities, or other evidences of interest in corporations, associations, partnerships, or trust estates engaged in carrying on or conducting any one or more of the businesses or enterprises which the Corporation is authorized to conduct and carry on hereunder.

In general, to carry on any other business in connection with the foregoing, and to have and exercise all the powers conferred by the laws of Delaware upon corporations formed under the General Corporation Law of the State of Delaware, and to do any or all of the things hereinbefore set forth to the same extent as natural persons might or could do.

The objects and purposes specified in the foregoing clauses shall, except where otherwise expressed, be in nowise limited or restricted by reference to, or inference from, the terms of any other clause in this Certificate of Incorporation, but the objects and purposes specified in each of the foregoing clauses of this Article shall be construed as independent objects and purposes.

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shall have full right, power and authority to offer for subscription or sell or to make any disposal of any or all unissued shares of the capital stock of the Corporation or any securities convertible into stock or any or all shares of stock or convertible securities issued and thereafter acquired by the Corporation, for such consideration, in money or property, as the Board of Directors in its sole discretion shall determine.

TENTH. All corporate powers shall be exercised by the Board of Directors except as otherwise provided by statute.

The number of Directors of the Corporation shall be fixed from time to time by the By-laws and may be altered as the By-laws may provide.

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized:

(a) To make, amend, alter, change, add to or repeal the By-laws of the corporation.

(b) To fix, determine and vary from time to time the amount to be maintained as surplus and the amount or amounts to be set apart as working capital.

(c) To authorize and cause to be executed mortgages and liens upon the real and personal property of the corporation.

(d) To set apart out of any of the funds of the corporation available for dividends a reserve

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and personal property of every class and description in any of the States, Districts, Territories or Colonies of the United States, and in any and all foreign countries, subject to the laws of such State, District, Territory, Colony or Country.

To conduct and carry on any of the objects and purposes herein enumerated through or by means of investment in subsidiaries or in the stock, securities, or other evidences of interest in corporations, associations, partnerships, or trust estates engaged in carrying on or conducting any one or more of the businesses or enterprises which the Corporation is authorized to conduct and carry on hereunder.

In general, to carry on any other business in connection with the foregoing, and to have and exercise all the powers conferred by the laws of Delaware upon corporations formed under the General Corporation Law of the State of Delaware, and to do any or all of the things hereinbefore set forth to the same extent as natural persons might or could do.

The objects and purposes specified in the foregoing clauses shall, except where otherwise expressed, be in no wise limited or restricted by reference to, or inference from, the terms of any other clause in this Certificate of Incorporation, but the objects and purposes specified in each of the foregoing clauses of this Article shall be regarded as independent objects and purposes.

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FOURTH. The total number of shares which the Corporation shall have authority to issue is two hundred (200) and the Par Value of each of said shares is Five Dollars ($5.00) amounting in the aggregate to One Thousand Dollars ($1,000.00).

FIFTH. The minimum amount of capital with which the Corporation will commence business is One Thousand Dollars ($1,000.00).

SIXTH. The names and places of residence of the Incorporators are as follows:

NAMES	RESIDENCES
B. A. Pennington	Wilmington, Delaware
C. A. Wolfe, Jr.	Wilmington, Delaware
A. D. Stoddard	Wilmington, Delaware

SEVENTH. The Corporation is to have perpetual existence.

EIGHTH. The private property of the stockholders shall not be subject to the payment of corporate debts to any extent whatever.

NINTH. Ownership of shares of any class of the capital stock of the Corporation shall not entitle the holders thereof to any pre-emptive right to subscribe for or purchase or to have offered to them for subscription or purchase any additional shares of capital stock of any class of the Corporation or any securities convertible into any class of capital stock of the Corporation, whether now or hereafter authorized, however acquired, issued or sold by the Corporation, it being the purpose and intent hereof that the Board of Directors

shall have full right, power and authority to offer for subscription or sell or to make any disposal of any or all unissued shares of the capital stock of the Corporation or any securities convertible into stock or any or all shares of stock or convertible securities issued and thereafter acquired by the Corporation, for such consideration, in money or property, as the Board of Directors in its sole discretion shall determine.

TENTH. All corporate powers shall be exercised by the Board of Directors except as otherwise provided by statute.

The number of Directors of the Corporation shall be fixed from time to time by the By-laws and may be altered as the By-laws may provide.

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized:

(a) To make, amend, alter, change, add to or repeal the By-laws of the corporation.

(b) To fix, determine and vary from time to time the amount to be maintained as surplus and the amount or amounts to be set apart as working capital.

(c) To authorize and cause to be executed mortgages and liens upon the real and personal property of the corporation.

(d) To set apart out of any of the funds of the corporation available for dividends a reserve

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or reserves for any proper purpose and to abolish any such reserve in the manner in which it was created.

(e) By resolution passed by a majority of the whole Board, to designate one or more committees, each committee to consist of two or more of the Directors of the Corporation, which, to the extent provided in the Resolution or in the By-Laws of the Corporation, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be stated in the By-Laws of the Corporation or as may be determined from time to time by Resolution adopted by the Board of Directors.

(f) When and authorized by the affirmative vote of the holders of a majority of the stock issued and outstanding having voting power given at a stockholders' meeting duly called for that purpose, or when authorized by the written consent of the holders of a majority of the voting stock issued and outstanding, to sell, lease or exchange all of the property and assets of the Corporation, including its good will and its corporate franchises, upon such terms and conditions and for such consideration, which may be in whole or in part shares of stock in,

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and/or other securities of, any other corporation or corporations, as its Board of Directors shall deem expedient and for the best interests of the Corporation.

(g) Without the assent or vote of the stockholders, to authorize and issue obligations of the Corporation in such amounts and having such terms and provisions as the Board of Directors in its sole discretion shall determine and to authorize and cause to be executed mortgages and liens, without limit as to amount, upon the real and personal property of the Corporation.

(h) From time to time to determine whether and to what extent, at what time and place, and under what conditions and regulations the accounts and books of the Corporation or any of them, shall be open to the inspection of any stockholder and no stockholder shall have any right to inspect any account or book or document of the Corporation except as conferred by statute or the By-Laws or as authorized by a Resolution of the stockholders or the Board of Directors.

(i) To authorize the payment of compensation to the Directors for services to the Corporation, including fees for special services to the Corporation and for attendance at meetings of the Board of Directors

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and of any committees of the Board of Directors and to determine the amount of such compensation and fees.

(j) At any time or from time to time (without any action by the stockholders of the Corporation) to create and issue, whether or not in connection with the issue and sale of any shares of stock or other securities of the Corporation, rights or options entitling the holders thereof to purchase from the Corporation any shares of its capital stock of any class or classes or of any series of any class or classes, such rights or options to be evidenced by or in such instrument or instruments as shall be approved by the Board of Directors. The terms upon which, the time or times, which may be limited or unlimited in duration, at or within which, and the price or prices at which any such shares may be purchased from the Corporation upon the exercise of any such right or option shall be such as shall be fixed and stated in the Resolution or Resolutions adopted by the Board of Directors providing for the creation and issue of such rights or options, and, in every case, set forth or incorporated by reference in the instrument or instruments evidencing such right or options.

No contract or other transaction between the Corporation or any other corporation shall be affected

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or invalidated by the fact that one or more of the Directors of this Corporation are interested in, or is a Director or Directors or officer or officers of such other corporation, and no contract or other transaction between the Corporation and any other person or firm shall be affected or invalidated by the fact that one or more of the Directors of this Corporation is a party to, or are parties to, or interested in, such contract or transaction; provided that in each such case the nature and extent of the interest of such Director or Directors in such contract or other transaction and/or the fact that such Director or Directors is or are a Director or Directors or Officer or Officers of such other corporation is known to the Board of Directors or is disclosed at the meeting of the Board of Directors at which such contract or other transaction is authorized.

A Director shall be fully protected in relying in good faith upon the books of account of the Corporation or statements prepared by any of its officials as to the value and amount of the assets, liabilities and/or net profits of the Corporation, or any other facts pertinent to the existence and amount of surplus or other funds from which dividends might properly be declared and paid.

The Corporation may in its By-Laws confer powers upon its Board of Directors in addition to the foregoing, and in addition to the powers and authorities expressly conferred upon it by statute.

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ELEVENTH. Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof, or on the application of any receiver or receivers appointed for this Corporation under the provisions of section 291 of Title 8 of the Delaware Code, or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of section 279 of Title 8 of the Delaware Code, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

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TWELFTH. Meetings of stockholders may be held outside the State of Delaware, if the By-laws so provide. The books of the Corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the By-laws of the Corporation. Elections of Directors need not be by ballot unless the By-laws of the Corporation shall so provide.

THIRTEENTH. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

WE, THE UNDERSIGNED, being each of the Incorporators hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, do make this Certificate, hereby declaring and certifying that the facts herein stated are true, and accordingly have hereunto set our hands and seals this 28th day of June, A. D. 1963.

E. R. Remington (SEAL)

E. A. Wolf, Jr. (SEAL)

A. D. Stoddard (SEAL)

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THE STATE OF DELAWARE)
) SS:
COUNTY OF NEW CASTLE)

BE IT REMEMBERED that on this 28th day of June, A. D. 1963, personally came before me, a Notary Public for the State of Delaware, B. A. Pennington, C. A. Wolfe, Jr. and A. D. Stoddard, all of the parties to the foregoing Certificate of Incorporation, known to me personally to be such, and severally acknowledged the said Certificate to be the act and deed of the signers respectively and that the facts therein stated are truly set forth.

GIVEN under my hand and seal of office the day and year aforesaid.

Howard K. Wolf
Notary Public

HOWARD K. WEGGY NOTARY PUBLIC STATE OF DELAWARE APPOINTED JUNE 26 1962 TERM 4 YEARS

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Applies to
14(i)

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF RETIREMENT OF "EL PASO CORPORATION", FILED IN THIS OFFICE ON THE THIRTIETH DAY OF JANUARY, A.D. 2003, AT 12 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

847670141

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

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AUTHENTICATION: 2233546

DATE: 01-30-03

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 12:00 PM 01/30/2003
030062903 - 2884676

CERTIFICATE OF ELIMINATION AND RETIREMENT OF PREFERRED STOCK OF EL PASO CORPORATION

(Pursuant to Section 243 of the General Corporation Law of the State of Delaware)

El Paso Corporation, a corporation duly organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), certifies as follows:

FIRST: The Corporation's Restated Certificate of Incorporation, by a Certificate of Designation (as modified by a Certificate of Elimination and Retirement), authorizes the issuance of 40,000 shares of Series B Mandatorily Convertible Single Reset Preferred Stock ("Series B Preferred Stock"), each of the foregoing shares with par value $.01 per share.

SECOND: The Corporation has acquired, and a duly constituted committee of the Board of Directors of the Corporation has retired, all of the authorized shares of the Series B Preferred Stock.

THIRD: The Restated Certificate of Incorporation of the Corporation prohibits the reissue of shares of Series B Preferred Stock purchased or otherwise acquired by the Corporation as shares of the series to which they were originally designated.

FOURTH: Pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, the 40,000 shares of Series B Preferred Stock are hereby retired, all references to Series B Preferred Stock in the Restated Certificate of Incorporation are hereby eliminated, and the 40,000 shares of Series B Preferred Stock are hereby returned to the status of authorized but unissued shares of the Preferred Stock of the Corporation undesignated as to series.

IN WITNESS WHEREOF, El Paso Corporation has caused this certificate to be signed by its duly authorized officer this 30th day of January 2003.

EL PASO CORPORATION

By: _____
David L. Siddall, Vice President

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Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"EPEC GAS SERVICES, INC.", A DELAWARE CORPORATION,

"EPEC WESTERN MARKET CENTER CORPORATION", A DELAWARE CORPORATION,

"EPEC WESTERN MARKET CENTER SERVICE CORPORATION", A DELAWARE CORPORATION,

WITH AND INTO "TENNESSEE GAS PIPELINE COMPANY" UNDER THE NAME OF "TENNESSEE GAS PIPELINE COMPANY", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE THIRTIETH DAY OF AUGUST, A.D. 2002, AT 1 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF OWNERSHIP IS THE THIRTY-FIRST DAY OF AUGUST, A.D. 2002.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

847670143

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

0414109 8100M

AUTHENTICATION: 1962009

020548301

DATE: 08-30-02

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 01:00 PM 08/30/2002
020548301 - 0414109

CERTIFICATE OF OWNERSHIP AND MERGER

merging

EPEC WESTERN MARKET CENTER CORPORATION

a Delaware corporation

and

EPEC WESTERN MARKET CENTER SERVICE CORPORATION

a Delaware corporation

and

EPEC GAS SERVICES, INC.

a Delaware corporation

into

TENNESSEE GAS PIPELINE COMPANY

a Delaware corporation

Pursuant to Section 253 of the General Corporation Law of the State of Delaware.

Tennessee Gas Pipeline Company, a Delaware corporation (the "Company"), for the purpose of merging EPEC Western Market Center Corporation, EPEC Western Market Center Service Corporation and EPEC Gas Services, Inc., each a Delaware corporation (the "Subsidiaries") with and into the Company, does hereby certify as follows:

FIRST: That the name and state of incorporation of each constituent corporation of the merger is as follows:

Name	State of Incorporation
EPEC Western Market Center Corporation	Delaware
EPEC Western Market Center Service Corporation	Delaware
EPEC Gas Services, Inc.	Delaware
Tennessee Gas Pipeline Company	Delaware

SECOND: That the Company owns all of the outstanding shares of each class of the capital stock of the Subsidiaries.

THIRD: Attached hereto as Exhibit A is a true and correct copy of the resolutions adopted by the Company's Board of Directors by unanimous written consent dated as of the 23rd day of August 2002, pursuant to which the Company determined to merge into itself the Subsidiaries on the conditions set forth in such resolutions.

FOURTH: That this Certificate of Ownership and Merger and the mergers contemplated hereby shall be effective on August 31, 2002.

IN WITNESS WHEREOF, said Tennessee Gas Pipeline Company, has caused this certificate to be signed by Teresa L. McDonald, its Vice President, and attested by Pilar DeAnda, its Corporate Secretary, this 30th day of August 2002.

TENNESSEE GAS PIPELINE COMPANY

By: _____
Teresa L. McDonald
Vice President

Attest:

By: _____
Pilar DeAnda, Corporate Secretary

EXHIBIT A

WHEREAS, this Company is the owner of all of the issued and outstanding shares of common stock of EPEC Western Market Center Corporation, EPEC Western Market Center Service Corporation and EPEC Gas Services, Inc., each a Delaware corporation (the "Subsidiaries");

WHEREAS, this Company desires to merge the Subsidiaries with and into itself and to possess all of the estate, property, rights, privileges and franchises of the Subsidiaries; and

WHEREAS, the Board of Directors of this Company believes it is in the best interest of this Company to merge the Subsidiaries with and into itself;

NOW, THEREFORE, BE IT RESOLVED that this Company merge the Subsidiaries with and into itself, that the separate existence of the Subsidiaries cease on the Effective Date (hereafter defined), and that this Company, as the surviving Company of the merger pursuant to Section 253 of the General Corporation Law of the State of Delaware (the "DGCL"), continue to exist by virtue of and be governed by the laws of the State of Delaware (such actions, collectively, being called the "Merger").

RESOLVED that the Merger be, and hereby is, approved.

RESOLVED that the Merger shall be effective on August 31, 2002 (such date and time being referred to herein as the "Effective Date").

RESOLVED that, on the Effective Date, this Company, without further action, as provided by the laws of the State of Delaware, succeed to and possess all the rights, privileges, powers, and franchises, of a public as well as of a private nature, of the Subsidiaries; and all property, real, personal and mixed, and all debts due on whatsoever account, including subscriptions to shares, and all other choses in action, and all and every other interest, of or belonging to or due to the Subsidiaries shall be vested in this Company without further act or deed; and all property, rights, privileges, powers and franchises, and all and every other interest shall thereafter be as effectively the property of this Company as they were of the Subsidiaries; and the title to any real estate, or any interest therein, vested in this Company or the Subsidiaries by deed or otherwise shall not revert or be in any way impaired by reason of the Merger. This Company shall thereafter be responsible and liable for all debts, liabilities, and duties of the Subsidiaries, which may be enforced against this Company to the same extent as if those debts, liabilities, and duties had been incurred or contracted by this Company. Neither the rights of creditors nor any liens upon the property of the Subsidiaries or this Company shall be impaired by the Merger.

RESOLVED that, on the Effective Date, each share of common stock of the Subsidiaries be cancelled.

RESOLVED that the President or any Vice President (the "Proper Officers") of this Company be, and each of them hereby is, authorized and empowered to execute and acknowledge in the name and on behalf of this Company a Certificate of Ownership and Merger setting forth, among other things, a copy of these resolutions and the date of their adoption; and that each such officer is hereby authorized and empowered to cause the executed Certificate of Ownership and Merger to be filed in the Office of the Secretary of State of the State of Delaware and to cause certified copies of that Certificate to be recorded in the Offices of the Recorder of Deeds of the appropriate counties, all in accordance with Sections 103 and 253 of the DGCL.

RESOLVED that the Proper Officers be, and each of them hereby is, authorized and empowered, in the name and on behalf of this Company, or any Subsidiaries of this Company, to do and perform, or cause to be done and performed, all such acts, deeds and things, to make, execute, and deliver, or cause to be made, executed, and delivered, all such agreements, guaranties, notes, evidences of borrowings, undertakings, documents, instruments and certificates as each such officer may deem necessary or appropriate to effectuate and carry out fully the purpose and intent of the foregoing resolutions.

RESOLVED that at any time prior to the Effective Time, the Board of Directors of this Company may terminate the Merger and if, at the time of such termination, a Certificate of Ownership and Merger has been filed with the Secretary of State of the State of Delaware, the Proper Officers of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Termination.

RESOLVED that any and all actions heretofore taken by any officer of this Company, or any Subsidiaries of this Company, in connection with the foregoing resolutions be, and hereby are, ratified and approved.

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "EL PASO CORPORATION", FILED IN THIS OFFICE ON THE TWENTY-THIRD DAY OF MAY, A.D. 2002, AT 12:05 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

847670148

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

2884676 8100

AUTHENTICATION: 1796382

020329804

DATE: 05-24-02

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 12:05 PM 05/23/2002
020329804 - 2884676

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION

EL PASO CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That at a meeting of the Board of Directors of the Company duly called and held on the 29th day of January 2002, resolutions were adopted setting forth a proposed amendment to the Restated Certificate of Incorporation, as amended, declaring such amendment to be advisable and directing that the amendment be considered at the next annual meeting of stockholders of this Company. The resolution setting forth the proposed amendment is as follows:

> NOW, THEREFORE, BE IT RESOLVED that this Board hereby approves an amendment to the Restated Charter of this Company by deleting in its entirety the first paragraph of Article 4 thereof, and by inserting in lieu thereof the provision set forth below so that, as so amended, the first paragraph of said Article 4 shall read in its entirety as follows:
>
> > "4.1 The total number of authorized shares of all classes of stock of this corporation consists of 1,500,000,000 shares of common stock having a par value of $3.00 per share (the "Common Stock") and 50,000,000 shares of preferred stock having a par value of $0.01 per share (the "Preferred Stock"). Authority is hereby expressly granted to the Board of Directors to fix by resolution or resolutions any of the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions which are permitted by the General Corporation Law of the State of Delaware in respect of any class or classes of stock or any series of any class of stock of the corporation."

SECOND: That thereafter, the annual meeting of stockholders of this Company, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware (the "DGCL"), was held on May 20, 2002, at which meeting the holders of a majority of the outstanding stock entitled to vote thereon, as required by the DGCL and the Restated Certificate of Incorporation, as amended, voted in favor of the amendment.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Section 242 of the DGCL.

IN WITNESS WHEREOF, said EL PASO CORPORATION has caused this certificate to be signed on its behalf by a duly authorized officer and attested by its Assistant Secretary, this 22nd day of May 2002.

EL PASO CORPORATION

By: _____
David L. Siddall, Vice President

Attest:

_____
Margaret E. Roark, Assistant Secretary

847670150

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF RETIREMENT OF "EL PASO CORPORATION", FILED IN THIS OFFICE ON THE TWENTY-THIRD DAY OF MAY, A.D. 2002, AT 12 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

847670151

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

2884676 8100

020329778

AUTHENTICATION: 1792964

DATE: 05-23-02

CERTIFICATE OF ELIMINATION AND RETIREMENT
OF PREFERRED STOCK
OF EL PASO CORPORATION
(Pursuant to Section 243 of the General
Corporation Law of the State of Delaware)

El Paso Corporation, a corporation duly organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), certifies as follows:

FIRST: The Corporation's Restated Certificate of Incorporation, by separate Certificates of Designations, authorizes the issuance of (i) 200,000 shares of Series B Mandatorily Convertible Single Reset Preferred Stock ("Series B Mandatorily Convertible Single Reset Preferred Stock") and (ii) 190,000 shares of Series C Mandatorily Convertible Single Reset Preferred Stock ("Series C Mandatorily Convertible Single Reset Preferred Stock") each of the foregoing shares with par value $.01 per share.

SECOND: The Corporation has acquired and a duly constituted committee of the Board of Directors of the Corporation, by separate resolutions, has retired 160,000 shares of the Series B Mandatorily Convertible Single Reset Preferred Stock and all of the authorized shares of the Series C Mandatorily Convertible Single Reset Preferred Stock.

THIRD: The Restated Certificate of Incorporation of the Corporation prohibits the reissue of shares of Series B Mandatorily Convertible Single Reset Preferred Stock and Series C Mandatorily Convertible Single Reset Preferred Stock purchased or otherwise acquired by the Corporation as shares of the series to which they were originally designated.

FOURTH: Pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, the 160,000 shares of Series B Mandatorily Convertible Single Reset Preferred Stock are hereby retired and returned to the status of authorized but unissued shares of the Preferred Stock of the Corporation undesignated as to series and the number of shares of Series B Mandatorily Convertible Single Reset Preferred Stock is hereby reduced to 40,000 shares.

FIFTH: Pursuant to the provisions of Section 243 of the General Corporation Law of the State of Delaware, all references to Series C Mandatorily Convertible Single Reset Preferred Stock in the Restated Certificate of Incorporation are hereby eliminated and the 190,000 shares of Series C Mandatorily Convertible Single Reset Preferred Stock are hereby returned to the status of authorized but unissued shares of the Preferred Stock of the Corporation undesignated as to series.

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 12:00 PM 05/23/2002
020329778 - 2884676

IN WITNESS WHEREOF, El Paso Corporation has caused this certificate to be signed by its duly authorized officer this 22nd day of May 2002.

EL PASO CORPORATION

By: _____
David L. Siddall
Vice President

State of Delaware

Office of the Secretary of State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF DESIGNATION OF "EL PASO CORPORATION", FILED IN THIS OFFICE ON THE THIRTY-FIRST DAY OF OCTOBER, A.D. 2001, AT 12 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

2884676 8100

010546897

AUTHENTICATION: 1420494

DATE: 10-31-01

847670154

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 12:00 PM 10/31/2001
010546897 - 2884676

Certificate of Designation,

Preferences and Rights of

Series C Mandatorily Convertible Single Reset Preferred Stock

of

El Paso Corporation

(Pursuant to Section 151
of the General Corporation Law of the State of Delaware)

I, David L. Siddall, Vice President, Associate General Counsel and Corporate Secretary of El Paso Corporation (the "Company"), a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 103 thereof, DO HEREBY CERTIFY as follows:

That pursuant to the authority conferred upon the Board of Directors by the Restated Certificate of Incorporation of the Company, said Board of Directors delegated to the Project Gemstone Committee the power to designate and fix the voting rights, designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions of a series of the Company's Preferred Stock. Pursuant to such delegated authority, the Project Gemstone Committee of the Board of Directors of the Company adopted the following resolution creating a series of 190,000 shares of Preferred Stock designated as Series C Mandatorily Convertible Single Reset Preferred Stock:

RESOLVED that pursuant to the authority granted to and vested in the Board of Directors of this Company in accordance with the provisions of the Restated Certificate of Incorporation of the Company, and the authority delegated to the Project Gemstone Committee by the Board of Directors of the Company, the Project Gemstone Committee hereby creates a series of Preferred Stock of the Company and hereby states the designation and number of shares, and fixes the relative rights, preferences and limitations thereof (in addition to the provisions set forth in the Restated Certificate of Incorporation which are applicable to the Preferred Stock of all classes and series) as follows:

Section 1. Designation and Amount. There shall be a series of Preferred Stock of the Company which shall be designated as "Series C Mandatorily Convertible Single Reset Preferred Stock", par value $.01 per share, and the number of shares initially constituting such series shall be 190,000. Such number of shares may be increased by resolution of the Board of Directors to the extent necessary to fulfill the Company's obligations to issue additional shares of Series C Mandatorily Convertible Single Reset Preferred Stock pursuant to the Remarketing Agreement (as defined in Section 2 hereof). Such number of shares may be decreased by resolution of the Board of Directors, provided that no decrease shall reduce the number of shares of Series C Mandatorily Convertible Single Reset Preferred Stock to a number less than that of the number of shares then outstanding.

Section 2. Definitions. Capitalized terms used herein which are not otherwise defined herein shall have the meaning ascribed thereto in the Company's Restated Certificate of Incorporation. In addition, the following terms shall have the following meanings when used herein:

"Average Trading Price" for a security for any given period means an amount equal to (i) the sum of the Closing Price for such security on each Trading Day in such period divided by (ii) the total number of Trading Days in such period.

"Board of Directors" shall mean the Board of Directors of the Company.

"Business Day" shall mean any day other than (a) a Saturday or Sunday or (b) a day on which commercial banking institutions in the State of New York or the State of Texas are authorized or obligated by law or executive order to close.

"Closing Price" for a security means the closing price for such security on the Trading Day in question as reported by Bloomberg L.P., or if not so reported by Bloomberg L.P., as reported by another recognized source selected by the Board of Directors.

"Common Stock" shall have the meaning specified in Subsection 6(9) hereof.

"Dividend Payment Date" shall have the meaning specified in Subsection 3(1) hereof.

"Failed Remarketing" shall have the meaning ascribed to such term in the Remarketing Agreement.

"Final Sale Date" shall have the meaning ascribed to such term in the Remarketing Agreement.

"junior stock" shall mean (and references to shares ranking "junior to" the Series C Mandatorily Convertible Single Reset Preferred Stock shall refer to), with respect to Sections 3 and 7 hereof, (a) the Series A Junior Participating Preferred Stock of the Company, (b) the Common Stock and (c) any other class or series of stock of the Company which by its terms is not entitled to receive any dividends unless all dividends required to have been paid or declared and set apart for payment on the Series C Mandatorily Convertible Single Reset Preferred Stock shall have been so paid or declared and, with respect to Sections 4 and 7 hereof, (i) the Series A Junior Participating Preferred Stock of the Company, (ii) the Common Stock and (iii) any other class or series of stock of the Company which by its terms is not entitled to receive any assets upon the liquidation, dissolution or winding up of the affairs of the Company until holders of the Series C Mandatorily Convertible Single Reset Preferred Stock shall have received the entire amount to which such holders are entitled upon liquidation, dissolution or winding up.

"Mandatory Conversion" shall have the meaning specified in Subsection 6(1) hereof.

"Mandatory Conversion Date" shall have the meaning specified in Subsection 6(1) hereof.

"Mandatory Conversion Date Market Price" shall have the meaning specified in Subsection 6(1) hereof.

"Mandatory Conversion Rate" shall have the meaning specified in Subsection 6(1) hereof.

"Market Disruption Event" shall mean the occurrence or existence on any Trading Day during the one-half hour period prior to the regularly scheduled closing time of the Principal Market of any material suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant Principal Market or otherwise) in shares of Common Stock.

"Note Trigger Event" shall have the meaning ascribed to such term in the Remarketing Agreement.

"Optional Conversion" shall have the meaning specified in Subsection 6(2) hereof.

"Optional Conversion Rate" shall have the meaning specified in Subsection 6(2) hereof.

"parity stock" shall mean (and references to shares ranking "on a parity with" the Series C Mandatorily Convertible Single Reset Preferred Stock shall refer to), with respect to Sections 3 and 7 hereof, (a) the Series B Mandatorily Convertible Single Reset Preferred Stock of the Company and (b) any other class or series of stock of the Company which by its terms is entitled to receive payment of dividends on a parity with the Series C Mandatorily Convertible Single Reset Preferred Stock and, with respect to Sections 4 and 7 hereof, (i) the Series B Mandatorily Convertible Single Reset Preferred Stock of the Company and (ii) any other class or series of stock of the Company the holders of which by its terms are entitled to receive assets upon the liquidation, dissolution or winding up of the affairs of the Company on a parity with the holders of Series C Mandatorily Convertible Single Reset Preferred Stock.

"Principal Market" shall have the meaning ascribed to such term in the Remarketing Agreement.

"Rate Reset Date" means the earlier to occur of (A) the consummation of the remarketing of the Initial Shares (as such term is defined in the Remarketing Agreement), which is expected to be on or about the third Trading Day following the Successful Repricing Date, and (B) a Failed Remarketing.

"Redemption Event" means the occurrence of any of the following: (i) any consolidation or merger of the Company with or into another corporation or entity, unless in connection with such consolidation or merger the outstanding shares of Common Stock immediately preceding the consummation of such consolidation or merger are converted into, exchanged for or otherwise represent a majority of the outstanding shares of common stock of the surviving or resulting corporation or entity immediately succeeding the consummation of such consolidation or merger or (ii) the Company sells or conveys to another entity (other than a Subsidiary) all or substantially all of the assets of the Company.

"Remarketing Agents" shall have the meaning ascribed to such term in the Remarketing Agreement.

"Remarketing Agreement" shall mean the Remarketing and Registration Rights Agreement dated as of November 1, 2001 among the Company, El Paso Gemstone Share Trust, Gemstone Investor Limited, The Bank of New York, as Indenture Trustee and Fiscal Agent, and Credit Suisse First Boston Corporation, J.P. Morgan Securities, Inc., as Initial Remarketing Agents.

"Reset Common Yield" shall mean the quotient of (i) the product of (x) 4 and (y) the amount of the ordinary quarterly cash dividend on one share of Common Stock most recently declared prior to the Trigger Date (as appropriately adjusted for the events referred to in Subsection 6(3)(a)), unless subsequent to such declaration and prior to the Trigger Date, the Company has publicly announced a change to, or elimination of, its ordinary quarterly cash dividend (including a filing with the Securities and Exchange Commission including such change or elimination), in which case clause (y) above shall be the amount of such proposed ordinary quarterly cash dividend (or $0.00 if such dividend is to be eliminated), divided by (ii) the Reset Price (provided, however, that if as of the Trigger Date there is more than one class of Common Stock, then the Reset Common Yield shall be calculated with respect to each then outstanding class of Common Stock, and the Reset Common Yield (as used herein) shall be the amount calculated with respect to the class of Common Stock resulting in the greatest Reset Common Yield).

"Reset Dividend Rate" shall mean an amount per annum per share equal to the product of (i) the sum of (x) the Reset Common Yield (expressed as a percentage), plus (y) 7% and (ii) $5,000.00 (rounded to the nearest cent).

"Reset Price" shall mean the higher of (i) the Closing Price of a share of Common Stock on the Trigger Date or (ii) the quotient (rounded up to the nearest cent) of $950,000,000 divided by the number, as of the Trigger Date, of the authorized but unissued shares of Common Stock that have not been reserved as of the Trigger Date by the Board of Directors for purposes other than as contemplated by Section 6(7), subject to adjustment as provided in Subsection 6(3)(a) hereof.

"Rights" means rights or warrants distributed by the Company under a shareholder rights plan or agreement to all holders of Common Stock entitling the holders thereof to subscribe for or purchase shares of the Company's capital stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Rights Events"), (i) are deemed to be transferred with such shares of Common Stock, (ii) are not exercisable and (iii) are also issued in respect of future issuances of Common Stock.

"Rights Events" shall have the meaning ascribed to such term in the definition of Rights.

"senior stock" shall mean (and references to shares ranking "senior to" or "prior to" the Series C Mandatorily Convertible Single Reset Preferred Stock shall refer to), with respect to Sections 3 and 7 hereof, any class or series of stock of the Company by its terms ranking senior to the Series C Mandatorily Convertible Single Reset Preferred Stock in respect of the right to

receive dividends and, with respect to Sections 4 and 7 hereof, any class or series of stock of the Company by its terms ranking senior to the Series C Mandatorily Convertible Single Reset Preferred Stock with respect to the right of the holders thereof to receive assets upon the liquidation, dissolution or winding up of the affairs of the Company.

"Subsidiary" means any corporation or other entity of which the Company owns, directly or indirectly sufficient securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other individuals performing similar functions.

"Successful Repricing Date" shall have the meaning ascribed to such term in the Remarketing Agreement.

"Threshold Appreciation Price" means the product of (i) the Reset Price as of the time in question and (ii) 1.10.

"Trading Day" means a day on which the Principal Market with respect to a security is regularly scheduled to be open for trading. For purposes of this definition, if there is a Market Disruption Event on any such day, then the relevant Trading Day shall be the first preceding day on which the Principal Market with respect to a security is regularly scheduled to be open for trading and (i) on which there is no Market Disruption Event and (ii) that is not otherwise already included as a Trading Day for purposes of computing the "Closing Price" or the "Mandatory Conversion Date Market Price", unless there is a Market Disruption Event on each of the five such preceding days that, but for the Market Disruption Event, would have been a Trading Day, in which event the fifth such preceding day shall be the Trading Day, notwithstanding the Market Disruption Event.

"Trigger Date" shall mean the earlier to occur of (A) the Successful Repricing Date and (B) the date of a Failed Remarketing; provided that if any such day is not a Trading Day, then the Trigger Date will be the next succeeding Trading Day.

Section 3. Dividends.

(1) The holders of the Series C Mandatorily Convertible Single Reset Preferred Stock shall not be entitled to receive any dividends (nor shall dividends commence to accrue) prior to, or with respect to any period ending prior to, the Rate Reset Date. The holders of the Series C Mandatorily Convertible Single Reset Preferred Stock, in preference to the rights of holders of any junior stock but subject to the rights of holders of any senior stock and parity stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of any funds legally available therefor cumulative cash dividends from the Rate Reset Date at the Reset Dividend Rate, and no more, payable on the dates as set forth in this Section 3. Dividends shall accrue on the Series C Mandatorily Convertible Single Reset Preferred Stock from the Rate Reset Date. Dividends shall be payable quarterly in arrears on each January 1, April 1, July 1, and October 1 commencing on the first such date following the Rate Reset Date (each such date being hereinafter referred to as a "Dividend Payment Date"); provided, that if any such Dividend Payment Date is not a Business Day, then any payment with respect to such Dividend Payment Date shall be payable on the next succeeding Business Day. Each such dividend shall be payable to holders of record as they appear on the books of the Company or any transfer agent for the

Series C Mandatorily Convertible Single Reset Preferred Stock on such record dates as shall be fixed by the Board of Directors subject to applicable law (which record date shall be no more than 60 days prior to the date fixed for the payment thereof). Dividends on the Series C Mandatorily Convertible Single Reset Preferred Stock shall accrue on a daily basis commencing on and including the Rate Reset Date, and accrued dividends for each dividend period or portion thereof shall cumulate, to the extent not paid, as of the date on which such dividends were to have been paid. A dividend period shall commence on a Dividend Payment Date or the Rate Reset Date, as the case may be, and continue to the day next preceding the next succeeding Dividend Payment Date. Accumulated unpaid dividends shall not accrue interest. Dividends (or cash amounts equal to accrued and unpaid dividends) payable on the Series C Mandatorily Convertible Single Reset Preferred Stock for any period less than or more than a full quarterly period shall be computed on the basis of a 360-day year of twelve 30-day months and the actual number of days elapsed in any period less than one month. Dividends on the Series C Mandatorily Convertible Single Reset Preferred Stock shall accrue whether or not the Company has earnings, whether or not there are funds legally available for the payment of such dividends and whether or not such dividends are declared. Dividends in arrears for any past dividend periods or portions thereof may be declared and paid at any time without reference to any regular Dividend Payment Date to holders of record on such date as shall be fixed by the Board of Directors subject to applicable law. As provided in Subsection 6(1), dividends on the Series C Mandatorily Convertible Single Reset Preferred Stock shall cease to accrue on the day immediately preceding the Mandatory Conversion Date and, in the case of an Optional Redemption of the Series C Mandatorily Convertible Single Reset Preferred Stock, dividends shall accrue only to the extent provided in Subsection 6(2).

(2) As long as any shares of Series C Mandatorily Convertible Single Reset Preferred Stock are outstanding, no dividends or other distributions for any dividend period (other than dividends or other distributions payable in shares of, or warrants, rights or options exercisable for or convertible into, junior stock, and cash in lieu of fractional shares of such junior stock in connection with any such dividend or distribution) will be paid on any junior stock unless: (i) full dividends, if any, on all outstanding shares of senior stock, parity stock and Series C Mandatorily Convertible Single Reset Preferred Stock have been paid, or declared and irrevocably set aside for payment, for all dividend periods terminating on or prior to the payment date of such junior stock dividend or distribution, to the extent such dividends on senior stock, parity stock or Series C Mandatorily Convertible Single Reset Preferred Stock are cumulative; (ii) the Company has paid or irrevocably set aside all amounts, if any, then or theretofore required to be paid or set aside for all purchase, retirement, and sinking funds, if any, for any outstanding shares of senior stock or parity stock; and (iii) the Company is not in default on any of its obligations to redeem any outstanding shares of senior stock or parity stock.

In addition, as long as any Series C Mandatorily Convertible Single Reset Preferred Stock is outstanding, no shares of any junior stock may be purchased, redeemed, or otherwise acquired by the Company or any Subsidiary (except in connection with a reclassification or exchange of any junior stock through the issuance of other junior stock and cash in lieu of fractional shares of such junior stock in connection therewith) and except for the acquisition of shares of any junior stock pursuant to contractual obligations binding against the Company or any Subsidiary that were entered into prior to the date of the first issuance of shares of Series C Mandatorily Convertible Single Reset Preferred Stock or pursuant to contractual obligations that

are entered into at a time subsequent thereto when such acquisitions of shares could be made pursuant to this Subsection 6(2) nor may any funds be set aside or made available for any sinking fund for the purchase or redemption of any junior stock unless: (i) full dividends, if any, on all outstanding shares of senior stock, parity stock and Series C Mandatorily Convertible Single Reset Preferred Stock have been paid, or declared and irrevocably set aside for payment, for all dividend periods terminating on or prior to the date of such purchase, redemption or acquisition, to the extent dividends on such senior stock, parity stock or Series C Mandatorily Convertible Single Reset Preferred Stock dividends are cumulative, (ii) the Company has paid or irrevocably set aside all amounts, if any, then or theretofore required to be paid or set aside for all purchase, retirement, and sinking funds, if any, for any outstanding shares of senior stock or parity stock; and (iii) the Company is not in default on any of its obligations to redeem any outstanding shares of senior stock or parity stock. Subject to the provisions described above, such dividends or other distributions (payable in cash, property, or junior stock) as may be determined from time to time by the Board of Directors may be declared and paid on the shares of any junior stock and from time to time junior stock may be purchased, redeemed or otherwise acquired by the Company or any Subsidiary. In the event of the declaration and payment of any such dividends or other distributions, the holders of such junior stock will be entitled, to the exclusion of holders of any outstanding senior stock or parity stock, to share therein according to their respective interests.

(3) As long as any Series C Mandatorily Convertible Single Reset Preferred Stock is outstanding, dividends or other distributions for any dividend period may not be paid on any outstanding shares of parity stock (other than dividends or other distributions payable in shares of, or warrants, rights or options exercisable for or convertible into, parity stock or junior stock and cash in lieu of fractional shares of such parity stock or junior stock in connection with any such dividend), unless either: (a)(i) full dividends, if any, on all outstanding shares of senior stock, parity stock and Series C Mandatorily Convertible Single Reset Preferred Stock have been paid, or declared and irrevocably set aside for payment, for all dividend periods terminating on or prior to the payment date of such dividend or distribution with respect to such senior stock, parity stock or Series C Mandatorily Convertible Single Reset Preferred Stock, to the extent dividends on such senior stock, parity stock or Series C Mandatorily Convertible Single Reset Preferred Stock are cumulative; (ii) the Company has paid or irrevocably set aside all amounts, if any, then or theretofore required to be paid or irrevocably set aside for all purchase, retirement and sinking funds, if any, for any outstanding shares of senior stock or parity stock; and (iii) the Company is not in default on any of its obligations to redeem any outstanding shares of senior stock or parity stock; or (b) any such dividends are declared and paid pro rata so that the amounts of any dividends declared and paid per share on outstanding Series C Mandatorily Convertible Single Reset Preferred Stock and each share of such parity stock will in all cases bear to each other the same ratio that accrued and unpaid dividends (including any accumulation with respect to unpaid dividends for prior dividend periods, if such dividends are cumulative) per share of outstanding Series C Mandatorily Convertible Single Reset Preferred Stock and such outstanding shares of parity stock bear to each other.

In addition, as long as any Series C Mandatorily Convertible Single Reset Preferred Stock is outstanding, no shares of any parity stock may be purchased, redeemed or otherwise acquired by the Company or any Subsidiary (except with any parity stock, junior stock and cash in lieu of fractional shares of such parity stock or junior stock in connection therewith and except

for the acquisition of shares of any parity stock pursuant to contractual obligations binding against the Company or any Subsidiary that were entered into prior to the date of the first issuance of shares of Series C Mandatorily Convertible Single Reset Preferred Stock or pursuant to contractual obligations that are entered into at a time subsequent thereto when such acquisitions of shares could be made pursuant to this Subsection 6(3)) unless: (i) full dividends, if any, on all outstanding shares of senior stock, parity stock and Series C Mandatorily Convertible Single Reset Preferred Stock have been paid, or declared and irrevocably set aside for payment, for all dividend periods terminating on or prior to the date of such purchase, redemption or other acquisition, to the extent dividends on such senior stock, parity stock or Series C Mandatorily Convertible Single Reset Preferred Stock are cumulative; (ii) the Company has paid or set aside all amounts, if any, then or theretofore required to be paid or irrevocably set aside for all purchase, retirement, and sinking funds, if any, for any outstanding shares of senior stock or parity stock; and (iii) the Company is not in default of any of its obligations to redeem any outstanding shares of senior stock or parity stock.

(4) Any dividend payment made on the Series C Mandatorily Convertible Single Reset Preferred Stock shall first be credited against the earliest accrued but unpaid dividend due with respect to the Series C Mandatorily Convertible Single Reset Preferred Stock.

(5) All dividends paid with respect to the Series C Mandatorily Convertible Single Reset Preferred Stock shall be paid pro rata to the holders entitled thereto.

Section 4. Liquidation Preference. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, then, before any distribution or payments shall be made to the holders of any junior stock, but subject to the rights of any senior stock or parity stock, the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock shall be entitled to be paid in full in cash the amount of $5,000.00 per share, together with, to the extent lawful, accrued dividends to the date of such distribution or payment, whether or not earned or declared. If such payment shall have been made in full to the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock and all preferential payments or distributions to be made with respect to senior stock and parity stock have been made in full, the remaining assets and funds of the Company shall be distributed among the holders of the junior stock, according to their respective rights and preferences and in each case according to their respective shares. If, upon any liquidation, dissolution or winding up of the affairs of the Company, the amounts so payable are not paid in full to the holders of all shares of the Series C Mandatorily Convertible Single Reset Preferred Stock and parity stock, the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock, together with holders of parity stock, shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. Neither the consolidation or merger of the Company with another entity, nor the sale, lease, transfer, exchange or conveyance of all or a part of its assets, shall be deemed a liquidation, dissolution or winding up of the affairs of the Company within the meaning of the foregoing provisions of this Section 4.

Section 5. Redemption. The Company shall have the right to redeem all, but not less than all, of the outstanding Series C Mandatorily Convertible Single Reset Preferred Stock (x) at any time following a Redemption Event and prior to a Trigger Date and (y) at any time prior to a Note Trigger Event, in each case in cash at the redemption price of $5,000.00 per share

(the "Redemption Price"). Except as set forth in the preceding sentence and to the extent contemplated by Section 6(1)(y), the Company shall not have the right to redeem any or all of the Series C Mandatorily Convertible Single Reset Preferred Stock at any other time. Notice of a redemption of the Series C Mandatorily Convertible Single Reset Preferred Stock shall be provided in writing to the holders of record of such shares at their respective addresses as they shall appear on the books of the Company at least two Business Days and not more than 60 calendar days prior to the date fixed for redemption. Each such notice of redemption shall specify the date fixed for redemption and the Redemption Price. On or after the date fixed for redemption as stated in such notice, each holder of the shares called for redemption shall surrender the certificate evidencing such shares to the Company and shall thereupon be entitled to receive payment of the Redemption Price. If, on the date fixed for redemption, funds necessary for the redemption shall be available therefor and shall have been irrevocably deposited or set aside, then, notwithstanding that the certificates evidencing any shares so called for redemption shall not have been surrendered, the shares shall no longer be deemed outstanding, and all rights whatsoever with respect to the shares so called for redemption (except the right of the holders to receive the Redemption Price without interest upon surrender of their certificates therefor) shall terminate.

Section 6. Conversion.

(1) Unless previously converted at the option of the holder in accordance with the provisions hereof, on the earlier to occur of (i) the third anniversary of the Rate Reset Date and (ii) November 1, 2007, or if such date is not a Business Day, the next succeeding day that is a Business Day (the "Mandatory Conversion Date"), each outstanding share of Series C Mandatorily Convertible Single Reset Preferred Stock shall, without additional notice to holders thereof, convert automatically (the "Mandatory Conversion") into (x) a number of fully paid and non-assessable shares of Common Stock at the Mandatory Conversion Rate (as defined herein) in effect on the Mandatory Conversion Date; and (y) the right to receive an amount in cash equal to all accrued and unpaid dividends on such share of Series C Mandatorily Convertible Single Reset Preferred Stock (other than previously declared dividends payable to a holder of record as of a prior date) to and including the day immediately prior to the Mandatory Conversion Date, whether or not earned or declared, out of funds legally available therefor (and if sufficient funds are not then legally available therefor, the Company shall pay such amount, if any, pro rata (based on the amounts so owing) to the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock and any parity stock then entitled to similar payment as is then legally available therefor and shall pay any deficiency thereafter as soon as funds are legally available therefor). The "Mandatory Conversion Rate" is equal to the following number of shares of Common Stock per share of Series C Mandatorily Convertible Single Reset Preferred Stock: (a) if the Mandatory Conversion Date Market Price is greater than or equal to the Threshold Appreciation Price, the quotient of (i) $5,000.00 divided by (ii) the Threshold Appreciation Price, (b) if the Mandatory Conversion Date Market Price is less than the Threshold Appreciation Price but is greater than the Reset Price, the quotient of $5,000.00 divided by the Mandatory Conversion Date Market Price and (c) if the Mandatory Conversion Date Market Price is less than or equal to the Reset Price, the quotient of $5,000.00 divided by the Reset Price, subject to adjustment as provided in this Section 6. "Mandatory Conversion Date Market Price" shall mean the Average Trading Price per share of Common Stock for the 20 consecutive Trading Days immediately prior to, but not including, the Mandatory Conversion Date; provided,

however, that if an event occurs during such 20 consecutive Trading Days that would require an adjustment to the Mandatory Conversion Rate pursuant to Subsections 6(3) or 6(5), the Board of Directors may make such adjustments to the Average Trading Price for shares of Common Stock for such 20 Trading Day period as it reasonably deems appropriate to effectuate the intent of the adjustments in Subsections 6(3) and 6(5), in which case any such determination by the Board of Directors shall be set forth in a resolution of the Board of Directors and shall be conclusive absent manifest error.

Dividends on the Series C Mandatorily Convertible Single Reset Preferred Stock shall cease to accrue on the day immediately preceding, and the Series C Mandatorily Convertible Single Reset Preferred Stock shall cease to be outstanding on, the Mandatory Conversion Date. The Company shall make arrangements as it deems appropriate for the issuance of certificates representing Common Stock and for the payment of cash in respect of such accrued and unpaid dividends, if any, or cash in lieu of fractional shares, if any, in exchange for and contingent upon surrender of certificates representing the Series C Mandatorily Convertible Single Reset Preferred Stock, and the Company may defer the payment of dividends on such Common Stock and the voting thereof until, and make such payment and voting contingent upon, the surrender of such certificates representing the Series C Mandatorily Convertible Single Reset Preferred Stock, provided that the Company shall give the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock such notice of any such actions as the Company deems appropriate and upon such surrender such holders shall be entitled to receive such dividends declared and paid on such Common Stock subsequent to the Mandatory Conversion Date. Amounts payable in cash in respect of the Series C Mandatorily Convertible Single Reset Preferred Stock or in respect of such Common Stock shall not bear interest.

(2) Shares of Series C Mandatorily Convertible Single Reset Preferred Stock shall be convertible during the periods set forth in clauses (x) and (y) at the option of the holders thereof ("Optional Conversion") at a rate equal to the number of shares of Common Stock per share of Series C Mandatorily Convertible Single Reset Preferred Stock (the "Optional Conversion Rate") determined as follows: (x) at any time on or after the Rate Reset Date and before the Mandatory Conversion Date, into Common Stock equal to the quotient of (i) $5,000.00 divided by (ii) the Threshold Appreciation Price, subject to adjustment as set forth in this Section 6 and (y) at any time prior to the Rate Reset Date, provided that at such time (I) a Note Trigger Event shall have occurred and be continuing and (II) the Company shall be prohibited from remarketing the El Paso Series C Mandatorily Convertible Single Reset Preferred Stock under the terms of the Remarketing Agreement, into 193.573 shares of Common Stock, subject to adjustment as set forth in this Section 6. Prior to and during such time as the Series C Mandatorily Convertible Single Reset Preferred Stock shall not be convertible, the Optional Conversion Rate shall be the rate set forth in clause (y) of the immediately preceding sentence. Optional Conversion of shares of Series C Mandatorily Convertible Single Reset Preferred Stock may be effected by delivering certificates evidencing such shares of Series C Mandatorily Convertible Single Reset Preferred Stock, together with written notice of conversion and, if required by the Company, a proper assignment of such certificates to the Company or in blank (and, if applicable as provided in the following paragraph, cash payment of an amount equal to the dividends attributable to the current dividend period payable on such shares), to the office of the transfer agent for the shares of Series C Mandatorily Convertible Single Reset Preferred Stock or to any other office or agency maintained by the Company for that purpose and

otherwise in accordance with Optional Conversion procedures established by the Company. Each Optional Conversion shall be deemed to have been effected immediately before the close of business on the date on which the foregoing requirements shall have been satisfied. The Optional Conversion shall be at the Optional Conversion Rate in effect at such time and on such date.

Holders of shares of Series C Mandatorily Convertible Single Reset Preferred Stock at the close of business on a record date for any payment of declared dividends shall be entitled to receive the dividend payable on such shares on the corresponding Dividend Payment Date or other date fixed for payment of dividends notwithstanding the Optional Conversion of such shares following such record date and on or prior to such Dividend Payment Date or other date fixed for payment of dividends. However, shares of Series C Mandatorily Convertible Single Reset Preferred Stock surrendered for Optional Conversion after the close of business on a record date for any payment of declared dividends and before the opening of business on the next succeeding Dividend Payment Date or other date fixed for payment of dividends must be accompanied by payment in cash of an amount equal to the dividends attributable to the current dividend period payable on such shares on such next succeeding Dividend Payment Date or other date fixed for payment of dividends. Except as provided in this Subsection 6(2), upon any Optional Conversion, the Company shall make no payment of or allowance for unpaid dividends, whether or not in arrears, on such converted shares of Series C Mandatorily Convertible Single Reset Preferred Stock as to which Optional Conversion has been effected or for previously declared dividends or distributions on the shares of Common Stock issued upon such Optional Conversion.

(3) The Optional Conversion Rate shall be adjusted from time to time and the Mandatory Conversion Rate shall be adjusted from time to time after the Rate Reset Date in respect of events occurring after the Rate Reset Date, as follows:

(a) In case the Company shall (i) pay a dividend on its Common Stock in other Common Stock, (ii) subdivide or split its outstanding Common Stock into a greater number of shares, (iii) combine its outstanding Common Stock into a smaller number of Common Stock, or (iv) issue by reclassification of its Common Stock any other Common Stock (including in connection with a merger in which the Company is a surviving corporation), then, in any such event, (1) the Mandatory Conversion Rate in effect immediately prior to such event shall be adjusted such that the Reset Price shall be adjusted by multiplying it by a fraction (which fraction and all other fractions referred to herein may be improper fractions), the numerator of which is one and the denominator of which is the number of shares of Common Stock that a holder of one share of Common Stock prior to any event described above would hold immediately after such event (assuming the issuance of fractional shares) (the "Recapitalization Adjustment Ratio"), and (2) the Optional Conversion Rate in effect immediately prior to such event shall be adjusted by multiplying it by a fraction, the numerator of which is one and the denominator of which is the Recapitalization Adjustment Ratio. Such adjustment shall become effective immediately after the effective date of any such event (or the earlier record date in the case of any such dividend) whenever any of the events listed above shall occur.

(b) In case the Company shall issue rights or warrants to all holders of its Common Stock entitling them (for a period, except in the case of Rights, expiring within 45 days after the record

date for determination of the shareholders entitled to receive such rights or warrants) to subscribe for or purchase Common Stock at a price per share of Common Stock less than the current market price per share of Common Stock (as defined in Subsection 6(4)) on such record date, then in each such case the Mandatory Conversion Rate on the date of such issuance shall be adjusted such that the Reset Price shall be adjusted by multiplying it by a fraction the numerator of which shall be the sum of (x) the number of shares of Common Stock outstanding immediately prior to such issuance, plus (y) the number of additional shares of Common Stock which the aggregate offering price of the total number of shares of Common Stock so offered for subscription or purchase would purchase at the Average Trading Price for a share of Common Stock on the record date for such issuance, and the denominator of which shall be the sum of (x) the number of shares of Common Stock outstanding immediately prior to such issuance, plus (y) the number of additional shares of Common Stock offered for subscription or purchase pursuant to such rights or warrants (the "Anti-Dilution Adjustment Ratio"); and (B) the Optional Conversion Rate in effect on the record date described below shall be adjusted by multiplying it by a fraction, the numerator of which is one and the denominator of which is the Anti-Dilution Adjustment Ratio. For purposes of this Subsection 6(3)(b), the issuance of rights or warrants to subscribe for or purchase securities exercisable for, convertible into, or exchangeable for, shares of Common Stock shall be deemed to be the issuance of rights or warrants to purchase the shares of Common Stock into which such securities are exercisable, convertible or exchangeable at an aggregate offering price equal to the aggregate offering price of such securities plus the minimum aggregate amount (if any) payable upon the exercise, conversion or exchange of such securities. Such adjustment shall become effective at the opening of business on the Business Day next following the record date for such rights or warrants. To the extent that any shares of Common Stock, or securities exercisable for, convertible into, or exchangeable for, shares of Common Stock so offered for subscription or purchase are not so subscribed or purchased by the expiration of such rights or warrants, the Mandatory Conversion Rate and the Optional Conversion Rate shall each be readjusted to the rates or amounts, respectively, which would then be in effect, had the adjustment made upon the issuance of such rights or warrants been made upon the basis of the issuance of rights or warrants in respect of only the number of shares of Common Stock and securities exercisable for, convertible into, or exchangeable for, shares of Common Stock actually issued upon exercise of such rights or warrants.

(c) If the Company shall pay a dividend or make a distribution to all holders of its Common Stock consisting of evidences of its indebtedness or other assets (including capital shares of the Company other than Common Stock but excluding any Ordinary Cash Dividends (as defined below)), or shall issue to all holders of its Common Stock rights or warrants to subscribe for or purchase any of its securities (other than those referred to in Subsection 6(b)), then in each such case the Mandatory Conversion Rate in effect immediately prior to such event shall be adjusted such that the Reset Price shall be adjusted by multiplying it by a fraction, the numerator of which shall be the Average Trading Price for a share of Common Stock on such record date, minus the fair market value as of such record date of the portion of evidences of indebtedness or other assets so distributed, or of such subscription rights or warrants, applicable to one share of Common Stock (provided that such numerator shall never be less than $1.00) and the denominator of which shall be the Average Trading Price for a share of Common Stock on such record date (the "Distribution Adjustment Ratio"); and (B) the Optional Conversion Rate in effect immediately prior to such event shall be adjusted by multiplying it by a fraction, the numerator of which is one and the denominator of which is the Distribution Adjustment Ratio.

Such adjustment shall become effective on the opening of business on the Business Day next following the record date for such dividend or distribution or the determination of shareholders entitled to receive such dividend or distribution or rights or warrants, as the case may be. "Ordinary Cash Dividends" shall mean (i) any regular cash dividend on the Common Stock that does not exceed the per share amount of immediately preceding regular cash dividend on the Common Stock (as adjusted to appropriately reflect any of the events referred to in Subsection 6(3)(a)) and (ii) any other cash dividend or distribution which, when combined on a per share basis with the per share amount of all other cash dividends and distributions paid on the Common Stock during the 365-day period ending on the date of declaration of such dividend or distribution (as adjusted to appropriately reflect any of the events referred to in Subsection 6(3)(a) and excluding cash dividends or distributions that resulted in an adjustment to the Mandatory Conversion Rate or the Optional Conversion Rate) does not exceed 10% of the current market price per Common Stock (determined pursuant to Subsection 6(4)) on the Trading Day immediately preceding the date of declaration of such dividend or distribution.

(4) For the purpose of any computation under Subsection 6(3), the "current market price per share of Common Stock" on any date in question shall mean the Average Trading Price for shares of Common Stock for the 15 consecutive Trading Days ending on the earlier of the day in question and, if applicable, the day before the "ex" date with respect to the issuance or distribution requiring such computation; provided, however, that if another event occurs that would require an adjustment pursuant to Subsection 6(3), the Board of Directors may make such adjustments to the Average Trading Price for shares of Common Stock during such 15 Trading Day period as it reasonably deems appropriate to effectuate the intent of the adjustments in Subsection 6(3), in which case any such determination by the Board of Directors shall be set forth in a Board resolution and shall be conclusive absent manifest error. For purposes of this Subsection, the term "ex" date, when used with respect to any issuance or distribution, means the first date on which the shares of Common Stock trade regular way on the relevant exchange or in the relevant market from which the Average Trading Price was obtained without the right to receive such issuance or distribution. For the purpose of any computation under Subsection 6(3), the "fair market value" of any assets, evidences of indebtedness, subscription rights or warrants on any date in question: (i) in the event any such item is a publicly traded security ("Publicly Traded Security"), shall be determined for such date pursuant to the provisions of this Subsection 6(4) for determination of the "current market price per share of Common Stock", except that (x) each reference therein to "Common Stock" shall be deemed to mean such Publicly Traded Security, and (y) if such Publicly Traded Security does not trade on a "when issued" basis for the 15 consecutive Trading Days preceding the "ex" date, such determination shall be made for the period of 15 consecutive Trading Days commencing on the "ex" date; and (ii) in the event any such item is not a Publicly Traded Security, shall be reasonably determined in good faith for such date by the Board of Directors, as evidenced by a resolution of the Board, whose determination shall be conclusive absent manifest error.

(5) In any case of any reclassification of Common Stock (other than a reclassification of the Common Stock referred to in Subsection 6(3)(a)); any consolidation or merger of the Company with or into another company or other entity (other than a merger resulting in a reclassification of the Common Stock referred to in Subsection 6(3)(a)); or any sale or conveyance to another entity (other than a Subsidiary) of all or substantially all of the assets of the Company (any such event referred to herein as a "Transaction"), then the Optional

Conversion Rate and Mandatory Conversion Rate shall be adjusted so that after consummation of such a Transaction the holders of shares of Series C Mandatorily Convertible Single Reset Preferred Stock will receive, in lieu of the number of shares of Common Stock which such holder would have received upon conversion but for such Transaction, the kind and amount of securities, cash and other property receivable upon consummation of such Transaction by a holder of such number of shares of Common Stock, subject to further adjustment as provided in this Section 6, including without limitation, an adjustment to the Optional Conversion Rate on the Rate Reset Date if such Transaction occurs prior to the Rate Reset Date. On and after the consummation of any such Transaction, the Mandatory Conversion Date Market Price, which shall be used for purposes of the determination as to which of clauses (a), (b) or (c) of the definition of Mandatory Conversion Rate applies, shall mean the sum of (i) the product of the Average Trading Price of any Publicly Traded Security received upon consummation of such Transaction for the 20 consecutive Trading Days immediately prior to, but not including, the Mandatory Conversion Date multiplied by the fraction of such security received in such Transaction per share of Common Stock (assuming the issuance of fractional shares) plus (ii) the fair market value of the cash and other property received upon consummation of such Transaction per share of Common Stock as of the day preceding the Mandatory Conversion Date as determined in accordance with Subsection 6(4). In determining the kind and amount of securities, cash or other property receivable upon consummation of such Transaction by a holder of shares of Common Stock, it shall be assumed that such holder is not a person or entity with which the Company consolidated or into which the Company was merged or which merged into the Company, as the case may be, or an affiliate of any such Person and that such holder of Common Stock failed to exercise rights of election, if any, as to the kind or amount of securities, cash, or other property receivable upon consummation of such transaction (provided that, if the kind or amount of securities, cash, or other property receivable upon consummation of such Transaction is not the same for each non-electing share, then the kind and amount of securities, cash, or other property receivable upon consummation of such transaction for each non-electing share shall be deemed to be the kind and amount so receivable per share by a plurality of the non-electing shares). In the event of such a reclassification, consolidation, merger, sale or conveyance, effective provisions shall be made in the certificate of incorporation or similar document of the resulting or surviving Company or entity so that the conversion rate applicable to any securities or property into which the shares of the Series C Mandatorily Convertible Single Reset Preferred Stock shall then be convertible shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Stock contained in Subsections 6(3)(a), 6(3)(b) and 6(3)(c) inclusive, and the other provisions of this Section 6 with respect to the Common Stock shall apply on terms as nearly equivalent as practicable to any such other securities and property deliverable upon conversion of shares of Series C Mandatorily Convertible Single Reset Preferred Stock.

(6) Whenever any adjustments are required in the shares of Common Stock into which each share of Series C Mandatorily Convertible Single Reset Preferred Stock is convertible, the Company shall forthwith (a) compute the adjusted Mandatory Conversion Rate and the Optional Conversion Rate in accordance herewith and prepare a certificate signed by an officer of the Company setting forth the adjusted Mandatory Conversion Rate and the Optional Conversion Rate, describing in reasonable detail the method of calculation used and the facts requiring such adjustment and upon which such adjustment is based, which certificate shall be conclusive, final and binding evidence of the correctness of the adjustment and file with the

transfer agent of the Series C Mandatorily Convertible Single Reset Preferred Stock such certificate and (b) cause a copy of such certificate to be mailed to each holder of record of the Series C Mandatorily Convertible Single Reset Preferred Stock as of or promptly after the effective date of such adjustment and, with respect to adjustments applicable after the Rate Reset Date, make a prompt public announcement of such adjustment.

(7) The Company shall at all times reserve and keep available, free from preemptive rights out of its authorized but unissued shares of Common Stock for the purpose of issuance upon conversion of the Series C Mandatorily Convertible Single Reset Preferred Stock a number of shares of Common Stock equal to the product of (i) the number of shares of Common Stock then deliverable at such time upon an Optional Conversion of all shares of the Series C Mandatorily Convertible Single Reset Preferred Stock multiplied by (ii) 1.10.

(8) The Company will pay any and all documentary stamp or similar issue or transfer taxes that may be payable in respect of the issuance or delivery of shares of Common Stock on conversion of shares of the Series C Mandatorily Convertible Single Reset Preferred Stock pursuant to this Section 6. The Company shall not, however, be required to pay any tax which may be payable in respect of any transfer involving the issue and delivery of shares of Common Stock in the name other than in that which the shares of Series C Mandatorily Convertible Single Reset Preferred Stock so converted were registered and no such issue and delivery shall be made unless and until the person requesting such issue has paid to the Company the amount of any such tax, or has established to the satisfaction of the Company, that such tax has been paid.

(9) For the purpose of this Section 6, the term "Common Stock" shall include any shares of the Company of any class or series which has no preference or priority in the payment of dividends or in the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of the Company and which is not subject to redemption by the Company. However, Common Stock issuable upon conversion of the Series C Mandatorily Convertible Single Reset Preferred Stock shall include only shares of the class designated as Common Stock as of the original date of issuance of the Series C Mandatorily Convertible Single Reset Preferred Stock, or shares of the Company of any classes or series resulting from any reclassification or reclassifications thereof (including reclassifications referred to in clause (iv) of Subsection 6(3)(a)) and which have no preference or priority in the payment of dividends or in the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of the Company and which are not subject to redemption by the Company, provided that, if at any time, there shall be more than one such resulting class or series, the shares of such class and series then so issuable shall be in the same proportion, if possible, or if not possible, in substantially the same proportion which the total number of shares of such class and series resulting from all such reclassifications bears to the total number of shares of all classes and series resulting from all such reclassifications.

(10) No fractional shares or scrip representing fractional shares shall be issued upon the conversion of the Series C Mandatorily Convertible Single Reset Preferred Stock. If any such conversion would otherwise require the issuance of a fractional share, an amount equal to such fraction multiplied by the current market price per share of Common Stock (determined as provided in Subsection 6(4)) of the Common Stock on the date of conversion shall be paid to the holder in cash by the Company. If on such date there is no current market price per share of

Common Stock, the fair market value of a share of Common Stock (determined as provided in Subsection 6(4)) on such date, shall be used. If more than one share of Series C Mandatorily Convertible Single Reset Preferred Stock shall be surrendered for conversion at one time or for the same holder, the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of Series C Mandatorily Convertible Single Reset Preferred Stock so surrendered.

(11) All shares of the Series C Mandatorily Convertible Single Reset Preferred Stock purchased or otherwise acquired by the Company (including shares surrendered for conversion) shall be canceled and thereupon restored to the status of authorized but unissued shares of Preferred Stock undesignated as to series.

(12) No adjustment in the Mandatory Conversion Rate and the Optional Conversion Rate shall be required unless such adjustment (plus any adjustments not previously made by reason of this Subsection 6(12)) would require an increase or decrease of at least 1% in the number of shares of Common Stock into which each share of the Series C Mandatorily Convertible Single Reset Preferred Stock is then convertible; provided, however, that any adjustments which by reason of this Subsection 6(12) are not required to be made shall be carried forward and taken into account in any subsequent adjustment and provided further that any adjustment shall be required and made in accordance with the provisions of Subsection 6(3) not later than such time as may be required in order to preserve the tax free nature of a distribution to the holders of shares of Common Stock. If any action or transaction would require adjustment to the Mandatory Conversion Rate or the Optional Conversion Rate pursuant to this Section 6, only one adjustment shall be made and such adjustment shall be the amount of the adjustment that has the highest absolute value. All calculations under this Section 6 shall be made to the nearest one-hundredth of a share of Common Stock.

(13) The Board of Directors may make such upward adjustments in the Mandatory Conversion Rate and the Optional Conversion Rate, in addition to those required by this Section 6, as shall be determined by the Board of Directors, as evidenced by a resolution of the Board of Directors, to be advisable in order that any stock dividends, subdivisions of shares, distribution of rights to purchase stock or securities, or distribution of securities convertible into or exchangeable for stock (or any transaction that could be treated as any of the foregoing transactions pursuant to Section 305 of the Internal Revenue Code of 1986, as amended) made by the Company to its stockholders after the Rate Reset Date shall not be taxable. The determination of the Board of Directors as to whether an adjustment should be made pursuant to the provisions of this Subsection 6(13), and if so, as to what adjustment should be made and when, shall be conclusive, final and binding on the Company and all stockholders of the Company.

(14) In any case in which Section 6 shall require that an adjustment as a result of any event become effective at the opening of business on the Business Day next following a record date and the date fixed for conversion occurs after such record date, but before the occurrence of such event, the Company may, in its sole discretion, elect to defer (A) issuing to the holder of any converted Series C Mandatorily Convertible Single Reset Preferred Stock the additional shares of Common Stock issuable upon such conversion over the shares of Common Stock issuable before giving effect to such adjustments and (B) paying to such holder any amount in

cash in lieu of a fractional share of Common Stock pursuant to Subsection 6(10), in each case until after the occurrence of such event.

(15) Notwithstanding the foregoing provisions of this Section 6, no adjustment of the Optional Conversion Rate or the Mandatory Conversion Rate shall be required to be made upon the issuance of any shares of Common Stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on securities of the Company and the investment of additional optional amounts in shares of Common Stock under any such plan or upon the issuance of shares of Common Stock (or securities, rights, warrants, options or similar rights, which are convertible or exercisable for shares of Common Stock) pursuant to any compensatory plan of the Company.

(16) Notwithstanding any other provision of this Section 6, the issuance or distribution of Rights shall not be deemed to constitute an issuance or a distribution or dividend of rights, warrants, or other securities to which any of the adjustment provisions described above applies until the occurrence of the earliest Rights Event.

(17) For purposes of this Section 6, shares of Common Stock owned by, or held for the account of, the Company, a Subsidiary or another entity of which a majority of the common stock or common equity interests are owned, directly or indirectly, by the Company shall be deemed to be not outstanding.

Section 7. Voting Rights. The holders of Series C Mandatorily Convertible Single Reset Preferred Stock shall have no right to vote except as otherwise specifically provided herein, in the Company's Restated Certificate of Incorporation or as required by statute.

(1) So long as any shares of Series C Mandatorily Convertible Single Reset Preferred Stock are outstanding, in addition to any other vote or consent of shareholders required in the Company's Restated Certificate of Incorporation or by law, the affirmative vote of the holders of at least a majority of the Series C Mandatorily Convertible Single Reset Preferred Stock, given in person or by proxy, either pursuant to a consent in writing without a meeting (if permitted by law) and the Company's Restated Certificate of Incorporation or by vote at any meeting called for the purpose, shall be necessary for effecting or validating:

(a) any amendment, alteration or repeal of any of the provisions of the Company's Restated Certificate of Incorporation which affects adversely the powers, rights or preferences of the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock or reduces the minimum time required for any notice to which holders of Series C Mandatorily Convertible Single Reset Preferred Stock then outstanding may be entitled; provided, that the amendment of the provisions of the Company's Restated Certificate of Incorporation so as to authorize or create, or to increase the authorized amount of any junior stock or parity stock (including additional shares of Series B Mandatorily Convertible Single Reset Preferred Stock or Series C Mandatorily Convertible Single Reset Preferred Stock) shall not be deemed to affect adversely the powers, rights or preferences of the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock and shall not be subject to approval by the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock and such holders shall not be entitled to vote thereon to the fullest extent permitted by law.

(b) the authorization, creation or issuance of, or the increase in the authorized amount of, any stock of any class or series, or any security convertible into stock of any class or series, ranking senior (as to receipt of dividends, upon liquidation, dissolution or winding up or otherwise) to the Series C Mandatorily Convertible Single Reset Preferred Stock; or

(c) the merger or consolidation of the Company with or into any other corporation or other entity, unless in connection with such merger or consolidation each holder of shares of Series C Mandatorily Convertible Single Reset Preferred Stock immediately preceding such merger or consolidation shall either (I) with respect to a merger or consolidation consummated prior to, on or after the Rate Reset Date, receive or continue to hold in the surviving or resulting corporation or other entity the same number of shares, with substantially the same rights and preferences (except as contemplated by Subsection 6(5) and except for those rights and preferences that could be affected without the vote of the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock, such as the authorization and issuance of parity stock or junior stock), as correspond to the shares of Series C Mandatorily Convertible Single Reset Preferred Stock held immediately prior to such merger or consolidation or (II) with respect to a merger or consolidation consummated after the Rate Reset Date, receive the kind and amount of securities, cash and other property that would have been receivable upon consummation of such merger or consolidation by such holder (subject to the assumptions set forth in Subsection 6(5)) if the Mandatory Conversion had occurred immediately prior to the consummation of such merger or consolidation and the Mandatory Conversion Rate was determined as of such time (and if clause (I) or (II) are applicable, then such merger or consolidation or shall not be subject to approval by the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock and such holders shall not be entitled to vote thereon).

(2) (a) In the event that full cumulative dividends on the Series C Mandatorily Convertible Single Reset Preferred Stock are not paid and are in arrears for six consecutive quarterly dividend periods following the Rate Reset Date, the number of directors of the Company constituting the entire Board of Directors shall be increased by two persons and the holders of shares of the Series C Mandatorily Convertible Single Reset Preferred Stock, voting separately as a class (together with the holders of shares of all other series of capital stock of the Company, including the Series A Junior Participating Preferred Stock and Series B Mandatorily Convertible Single Reset Preferred Stock or, having the then present right to elect one or more directors as a result of a dividend arrearage but not then entitled to other separate voting rights to elect one or more directors in the event of such an arrearage (herein referred to as "Class Voting Stock")), shall have the right to elect such additional two directors to fill such positions at any regular meeting of shareholders or special meeting held in place thereof, or at a special meeting called as provided in Subsection 7(2)(c). Whenever all arrearages of dividends on the Series C Mandatorily Convertible Single Reset Preferred Stock then outstanding shall have been paid or declared and irrevocably set apart for payment, then the right of the holders of shares of the Series C Mandatorily Convertible Single Reset Preferred Stock to elect such additional two directors shall cease (but subject always to the same provisions for the vesting of such voting rights in the case of any similar future arrearages in dividends), and the terms of office of all persons previously elected as directors by the holders of shares of the Series C Mandatorily Convertible Single Reset Preferred Stock and such other Class Voting Stock shall forthwith terminate and the number of the Board of Directors shall be reduced accordingly.

(b) At any time after the voting power referred to in Subsection 7(2)(a) shall have been so vested in the holders of shares of the Series C Mandatorily Convertible Single Reset Preferred Stock, the Secretary of the Company may, and upon the written request of any holder or the holders of at least 10% of the number of shares of Series C Mandatorily Convertible Single Reset Preferred Stock then outstanding (addressed to the Secretary at the principal executive office of the Company) shall, call a special meeting of the holders of shares of the Series C Mandatorily Convertible Single Reset Preferred Stock and all other Class Voting Stock for the election of the directors to be elected by them pursuant to Subsection 7(2)(a); provided that the Secretary shall not be required to call such special meeting if the request for such meeting is received less than 45 calendar days before the date fixed for the next ensuing annual meeting of shareholders. Such call shall be made by notice similar to that provided in the bylaws of the Company for a special meeting of the shareholders or as required by law. Subject to the foregoing provisions, if any such special meeting required to be called as above provided shall not be called by the Secretary within 20 calendar days after receipt of an appropriate request, then any holder of shares of Series C Mandatorily Convertible Single Reset Preferred Stock may call such meeting, upon the notice above provided, and for that purpose shall have access to the stock books and records of the Company. Except as otherwise provided by law, at any such meeting, the holders of a majority of the number of shares of Series C Mandatorily Convertible Single Reset Preferred Stock and such other Class Voting Stock then outstanding shall constitute a quorum for the purpose of electing directors as contemplated in Subsection 7(2)(a). If at any such meeting or adjournment thereof, a quorum of such holders of Series C Mandatorily Convertible Single Reset Preferred Stock and, if applicable, such other Class Voting Stock shall not be present, no election of directors by the Series C Mandatorily Convertible Single Reset Preferred Stock and, if applicable, such other Class Voting Stock shall take place, and any such meeting may be adjourned from time to time for periods not exceeding 30 calendar days until a quorum of the Series C Mandatorily Convertible Single Reset Preferred Stock and, if applicable, the Class Voting Stock is present at such adjourned meeting. Unless otherwise provided by law or the Company's Restated Certificate of Incorporation, directors to be elected by the holders of shares of Series C Mandatorily Convertible Single Reset Preferred Stock and, if applicable, such other Class Voting Stock shall be elected by a plurality of the votes cast by such holders at a meeting at which a quorum is present. Notwithstanding the foregoing, the absence of a quorum of the Series C Mandatorily Convertible Single Reset Preferred Stock and, if applicable, such other Class Voting Stock shall not prevent the voting of, including the election of, directors by the holders of Common Stock and other classes of capital stock at such meeting.

(c) Any director who shall have been elected by holders of shares of Series C Mandatorily Convertible Single Reset Preferred Stock voting separately as a class, together, if applicable, with the holders of one or more other series of Class Voting Stock, or any director so elected as provided below, may be removed at any time during a class voting period, either for or without cause, by, and only by, the affirmative vote of the holders of a majority of the number of shares of Series C Mandatorily Convertible Single Reset Preferred Stock then outstanding, voting separately as a class, together, if applicable, with the holders of all other series of Class Voting Stock then outstanding, given at a special meeting of such shareholders called for such purpose, and any vacancy thereby created may be filled during such class voting period only by the holder of shares of Series C Mandatorily Convertible Single Reset Preferred Stock and, if applicable the other series, if any, of Class Voting Stock. In case any vacancy (other than as provided in the preceding sentence) shall occur among the directors elected by the holders of

shares of the Series C Mandatorily Convertible Single Reset Preferred Stock (and, if applicable, such other Class Voting Stock), a successor shall be elected by the Board of Directors to serve until the next annual meeting of the shareholders or special meeting held in place thereof upon the nomination of the then remaining director elected by the holders of the Series C Mandatorily Convertible Single Reset Preferred Stock (and, if applicable, such other Class Voting Stock) or the successor of such remaining director.

(d) Holders of Series C Mandatorily Convertible Single Reset Preferred Stock shall not be entitled to receive notice of any meeting of shareholders at which they are not entitled to vote or consent except as otherwise provided by applicable law.

Section 8. Other Rights. Shares of Series C Mandatorily Convertible Single Reset Preferred Stock shall not have any relative, participating, optional or other special rights or powers other than as set forth herein, in the Company's Restated Certificate of Incorporation or as required by law.

Section 9. Notices. Subsequent to the Rate Reset Date, at any time while any shares of Series C Mandatorily Convertible Single Reset Preferred Stock are outstanding, (i) the Company shall declare a dividend (or any other distribution) on its Common Stock, excluding any cash dividends, (ii) the Company shall authorize the issuance to all holders of its Common Stock of rights or warrants to subscribe for or purchase shares of Common Stock or of securities exercisable for, convertible into, or exchangeable for, shares of Common Stock or (iii) the Company shall authorize any reclassification of its Common Stock (other than a subdivision or combination thereof) or any consolidation or merger to which the Company is a party and for which approval of any stockholders of the Company is required (except for a merger of the Company into one of its subsidiaries solely for the purpose of changing the corporate name or corporate domicile of the Company to another state of the United States and in connection with which there is no substantive change in the rights or privileges of any securities of the Company other than changes resulting from differences in the corporate statutes of the then existing and the new state of domicile), or the sale or transfer to another corporation of the property of the Company as an entirety or substantially as an entirety, then the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of the Series C Mandatorily Convertible Single Reset Preferred Stock, and shall cause to be mailed to the holders of Series C Mandatorily Convertible Single Reset Preferred Stock at their last addresses as they shall appear on the stock register, at least 10 days before the date hereinafter specified (or the earlier of the dates hereinafter specified, in the event that more than one date is specified), a notice stating (A) the date on which a record is to be taken for the purpose of such dividend, distribution, rights or warrants, or, if a record is not to be taken the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution, rights or warrants are to be determined, or (B) the date on which any such reclassification, consolidation, merger, sale or transfer is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their Common Stock for securities or other property (including cash), if any, deliverable upon such reclassification, consolidation, merger, sale or transfer. The failure to give or receive the notice required hereby or any defect therein shall not affect the legality or validity of such dividend, distribution, right or warrant or other action.

IN WITNESS WHEREOF, EL PASO CORPORATION has caused this Certificate of Designation, Preferences and Rights of Series C Mandatorily Convertible Single Reset Preferred Stock to be executed by its Vice President, Associate General Counsel and Corporate Secretary this 31st day of October, 2001.

EL PASO CORPORATION

David L. Siddall
Vice President, Associate General
Counsel and Corporate Secretary

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State of Delaware

Office of the Secretary of State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"EPNG PIPELINE COMPANY", A DELAWARE CORPORATION,

WITH AND INTO "EL PASO NATURAL GAS COMPANY" UNDER THE NAME OF "EL PASO NATURAL GAS COMPANY", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE TWENTY-FOURTH DAY OF SEPTEMBER, A.D. 2001, AT 12:30 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

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Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

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AUTHENTICATION: 1355613

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DATE: 09-24-01

CERTIFICATE OF OWNERSHIP AND MERGER

merging

EPNG PIPELINE COMPANY

into

EL PASO NATURAL GAS COMPANY

Pursuant to Section 253 of the General Corporation Law of the State of Delaware.

El Paso Natural Gas Company, a Delaware corporation (the "Company"), for the purpose of merging EPNG Pipeline Company, a Delaware corporation (the "Subsidiary") with and into the Company, does hereby certify as follows:

FIRST: That the name and state of incorporation of each constituent corporation of the merger is as follows:

Name	State of Incorporation
El Paso Natural Gas Company	Delaware
EPNG Pipeline Company	Delaware

SECOND: That the Company owns all of the outstanding shares of each class of the capital stock of the Subsidiary.

THIRD: Attached hereto as Exhibit A is a true and correct copy of the resolutions adopted by the Company's Board of Directors dated as of the 21st day of September 2001, pursuant to which the Company determined to merge into itself the Subsidiary on the conditions set forth in such resolutions.

FOURTH: That this Certificate of Ownership and Merger and the merger contemplated hereby shall be effective upon filing with the Secretary of State.

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 12:30 PM 09/24/2001
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IN WITNESS WHEREOF, said El Paso Natural Gas Company has caused this certificate to be signed by C. Dana Rice, its Senior Vice President and Treasurer, and attested by Margaret E. Roark, its Assistant Secretary, this 24th day of September 2001.

EL PASO NATURAL GAS COMPANY

By: _____
C. Dana Rice
Senior Vice President
and Treasurer

Attest:

By: _____
Margaret E. Roark, Assistant Secretary

EXHIBIT A

WHEREAS, this Company is the owner of all of the issued and outstanding shares of common stock of EPNG Pipeline Company, a Delaware corporation (the "Subsidiary");

WHEREAS, this Company desires to merge the Subsidiary with and into itself and to possess all of the estate, property, rights, privileges and franchises of the Subsidiary; and

WHEREAS, the Board of Directors of this Company believes it is in the best interest of this Company to merge the Subsidiary with and into itself;

NOW, THEREFORE, BE IT RESOLVED that this Company merge the Subsidiary with and into itself, that the separate existence of the Subsidiary cease at the Effective Time (hereafter defined), and that this Company, as the surviving Company of the merger pursuant to Section 253 of the General Corporation Law of the State of Delaware (the "DGCL"), continue to exist by virtue of and be governed by the laws of the State of Delaware (such actions, collectively, being called the "Merger").

RESOLVED that the Merger be, and hereby is, approved.

RESOLVED that the Merger shall be effective as of the time of filing with the Secretary of State (such time being referred to herein as the "Effective Time").

RESOLVED that, at the Effective Time, this Company, without further action, as provided by the laws of the State of Delaware, succeed to and possess all the rights, privileges, powers, and franchises, of a public as well as of a private nature, of the Subsidiary; and all property, real, personal and mixed, and all debts due on whatsoever account, including subscriptions to shares, and all other choses in action, and all and every other interest, of or belonging to or due to the Subsidiary shall be vested in this Company without further act or deed; and all property, rights, privileges, powers and franchises, and all and every other interest shall thereafter be as effectively the property of this Company as they were of the Subsidiary; and the title to any real estate, or any interest therein, vested in this Company or the Subsidiary by deed or otherwise shall not revert or be in any way impaired by reason of the Merger. This Company shall thereafter be responsible and liable for all debts, liabilities, and duties of the Subsidiary, which may be enforced against this Company to the same extent as if those debts, liabilities, and duties had been incurred or contracted by this Company. Neither the rights of creditors nor any liens upon the property of the Subsidiary or this Company shall be impaired by the Merger.

RESOLVED that, at the Effective Time, each share of common stock of the Subsidiary be cancelled.

RESOLVED that any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Ownership and Merger setting forth, among other things, a copy of these resolutions and the date of their adoption; and that each such officer is hereby authorized and directed to cause the executed Certificate of Ownership and Merger to be filed in the Office of the Secretary of State of the State of Delaware and to cause certified copies of that Certificate to be recorded in the Offices of the Recorder of Deeds of the appropriate counties, all in accordance with Sections 103 and 253 of the DGCL.

RESOLVED that the proper officers be, and each of them hereby is, authorized and empowered, in the name and on behalf of this Company, or any subsidiary of this Company, to do and perform, or cause to be done and performed, all such acts, deeds and things, to make, execute, and deliver, or cause to be made, executed, and delivered, all such agreements, guaranties, notes, evidences of borrowings, undertakings, documents, instruments and certificates as each such officer may deem necessary or appropriate to effectuate and carry out fully the purpose and intent of the foregoing resolutions.

RESOLVED that at any time prior to the Effective Time, the Board of Directors of this Company may terminate the Merger and if, at the time of such termination, a Certificate of Ownership and Merger has been filed with the Secretary of State of the State of Delaware, any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Termination.

RESOLVED that any and all actions heretofore taken by any officer of this Company, or any subsidiary of this Company, in connection with the foregoing resolutions be, and hereby are, ratified and approved.

CERTIFICATE OF OWNERSHIP AND MERGER

merging

EPNG PIPELINE COMPANY

into

EL PASO NATURAL GAS COMPANY

Pursuant to Section 253 of the General Corporation Law of the State of Delaware.

El Paso Natural Gas Company, a Delaware corporation (the "Company"), for the purpose of merging EPNG Pipeline Company, a Delaware corporation (the "Subsidiary") with and into the Company, does hereby certify as follows:

FIRST: That the name and state of incorporation of each constituent corporation of the merger is as follows:

Name	State of Incorporation
El Paso Natural Gas Company	Delaware
EPNG Pipeline Company	Delaware

SECOND: That the Company owns all of the outstanding shares of each class of the capital stock of the Subsidiary.

THIRD: Attached hereto as Exhibit A is a true and correct copy of the resolutions adopted by the Company's Board of Directors dated as of the 21st day of September 2001, pursuant to which the Company determined to merge into itself the Subsidiary on the conditions set forth in such resolutions.

FOURTH: That this Certificate of Ownership and Merger and the merger contemplated hereby shall be effective upon filing with the Secretary of State.

IN WITNESS WHEREOF, said El Paso Natural Gas Company has caused this certificate to be signed by C. Dana Rice, its Senior Vice President and Treasurer, and attested by Margaret E. Roark, its Assistant Secretary, this 24th day of September 2001.

EL PASO NATURAL GAS COMPANY

By: _____
C. Dana Rice
Senior Vice President
and Treasurer

Attest:

By: _____
Margaret E. Roark, Assistant Secretary

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EXHIBIT A

WHEREAS, this Company is the owner of all of the issued and outstanding shares of common stock of EPNG Pipeline Company, a Delaware corporation (the "Subsidiary");

WHEREAS, this Company desires to merge the Subsidiary with and into itself and to possess all of the estate, property, rights, privileges and franchises of the Subsidiary; and

WHEREAS, the Board of Directors of this Company believes it is in the best interest of this Company to merge the Subsidiary with and into itself;

NOW, THEREFORE, BE IT RESOLVED that this Company merge the Subsidiary with and into itself, that the separate existence of the Subsidiary cease at the Effective Time (hereafter defined), and that this Company, as the surviving Company of the merger pursuant to Section 253 of the General Corporation Law of the State of Delaware (the "DGCL"), continue to exist by virtue of and be governed by the laws of the State of Delaware (such actions, collectively, being called the "Merger").

RESOLVED that the Merger be, and hereby is, approved.

RESOLVED that the Merger shall be effective as of the time of filing with the Secretary of State (such time being referred to herein as the "Effective Time").

RESOLVED that, at the Effective Time, this Company, without further action, as provided by the laws of the State of Delaware, succeed to and possess all the rights, privileges, powers, and franchises, of a public as well as of a private nature, of the Subsidiary; and all property, real, personal and mixed, and all debts due on whatsoever account, including subscriptions to shares, and all other choses in action, and all and every other interest, of or belonging to or due to the Subsidiary shall be vested in this Company without further act or deed; and all property, rights, privileges, powers and franchises, and all and every other interest shall thereafter be as effectively the property of this Company as they were of the Subsidiary; and the title to any real estate, or any interest therein, vested in this Company or the Subsidiary by deed or otherwise shall not revert or be in any way impaired by reason of the Merger. This Company shall thereafter be responsible and liable for all debts, liabilities, and duties of the Subsidiary, which may be enforced against this Company to the same extent as if those debts, liabilities, and duties had been incurred or contracted by this Company. Neither the rights of creditors nor any liens upon the property of the Subsidiary or this Company shall be impaired by the Merger.

RESOLVED that, at the Effective Time, each share of common stock of the Subsidiary be cancelled.

RESOLVED that any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Ownership and Merger setting forth, among other things, a copy of these resolutions and the date of their adoption; and that each such officer is hereby authorized and directed to cause the executed Certificate of Ownership and Merger to be filed in the Office of the Secretary of State of the State of Delaware and to cause certified copies of that Certificate to be recorded in the Offices of the Recorder of Deeds of the appropriate counties, all in accordance with Sections 103 and 253 of the DGCL.

RESOLVED that the proper officers be, and each of them hereby is, authorized and empowered, in the name and on behalf of this Company, or any subsidiary of this Company, to do and perform, or cause to be done and performed, all such acts, deeds and things, to make, execute, and deliver, or cause to be made, executed, and delivered, all such agreements, guaranties, notes, evidences of borrowings, undertakings, documents, instruments and certificates as each such officer may deem necessary or appropriate to effectuate and carry out fully the purpose and intent of the foregoing resolutions.

RESOLVED that at any time prior to the Effective Time, the Board of Directors of this Company may terminate the Merger and if, at the time of such termination, a Certificate of Ownership and Merger has been filed with the Secretary of State of the State of Delaware, any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Termination.

RESOLVED that any and all actions heretofore taken by any officer of this Company, or any subsidiary of this Company, in connection with the foregoing resolutions be, and hereby are, ratified and approved.

State of Delaware

Office of the Secretary of State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "EL PASO CORPORATION", FILED IN THIS OFFICE ON THE SEVENTH DAY OF FEBRUARY, A.D. 2001, AT 8:30 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

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Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

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AUTHENTICATION: 0959558

DATE: 02-07-01

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 08:30 AM 02/07/2001
010061504 - 2884676

RESTATED

CERTIFICATE OF INCORPORATION

OF

EL PASO CORPORATION

Pursuant to Section 245 of the
General Corporation Law of the State of Delaware

El Paso Corporation, a corporation organized and existing under the General Corporation Law of the State of Delaware, does hereby certify:

1. The original Certificate of Incorporation was filed with the Office of the Secretary of State of the State of Delaware on April 17, 1998. The name under which it was originally incorporated is El Paso Energy Corporation (the "Corporation").

2. This Restated Certificate of Incorporation has been adopted and approved in accordance with Section 245 of the Delaware General Corporation Law, and pursuant to Section 245 of the Delaware General Corporation Law, this Restated Certificate of Incorporation only restates and integrates and does not further amend the provisions of the Corporation's Restated Certificate of Incorporation as theretofore amended or supplemented, and there is no discrepancy between those provisions and the provisions of this Restated Certificate of Incorporation.

3. The text of the Restated Certificate of Incorporation is hereby restated and integrated to read in its entirety as follows:

ARTICLE 1. NAME

The name of this corporation is El Paso Corporation.

ARTICLE 2. REGISTERED OFFICE AND AGENT

The address of the registered office of this corporation is Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, State of Delaware 19801, and the name of its registered agent at such address is The Corporation Trust Company.

ARTICLE 3. PURPOSES

The purpose of this corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE 4. SHARES

4.1 The total number of authorized shares of all classes of stock of this corporation consist of 750,000,000 shares of common stock having a par value of $3.00 per share (the "Common Stock") and 50,000,000 shares of preferred stock having a par value of $0.01 per share ("Preferred Stock"). Authority is hereby expressly granted to the Board of Directors to fix by resolution or resolutions any of the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions which are permitted by the General Corporation Law of the State of Delaware in respect of any class or classes of stock or any series of any class of stock of the corporation.

4.2 There shall be designated a series of the corporation's Preferred Stock, as follows:

4.2.1. Designation and Amount. The shares of such series shall be designated as "Series A Junior Participating Preferred Stock," par value $.01 per share, and the number of shares constituting such series shall be 7,500,000. Such number of shares may be increased or decreased by resolution of the Board of Directors; provided, that no decrease shall reduce the number of shares of Series A Junior Participating Preferred Stock to a number less than that of the shares then outstanding plus the number of shares issuable upon exercise of outstanding rights, options or warrants or upon conversion of outstanding securities issued by the corporation.

4.2.2. Dividends and Distributions.

(A) Subject to the prior and superior rights of the holders of any shares of any series of Preferred Stock ranking prior and superior to the Series A Junior Participating Preferred Stock with respect to dividends, the holders of shares of Series A Junior Participating Preferred Stock in preference to the holders of shares of Common Stock and any other junior stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the first day of January, April, July, and October in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Junior Participating Preferred Stock in an amount per share (rounded to

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the nearest cent) equal to the greater of (a) $25, or (b) subject to the provision for adjustment hereinafter set forth, 200 times the aggregate per share amount of all cash dividends, and 200 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock since the immediately preceding Quarterly Dividend Payment Date, or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Junior Participating Preferred Stock. In the event the corporation shall at any time after July 22, 1998 (the "Rights Declaration Date") (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount to which holders of shares of Series A Junior Participating Preferred Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) The corporation shall declare a dividend or distribution on the Series A Junior Participating Preferred Stock as provided in paragraph (A) above immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $25 per share on the Series A Junior Participating Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(C) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Junior Participating Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares of Series A Junior Participating Preferred Stock unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series A Junior Participating Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Junior Participating Preferred Stock in an amount

less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of shares of Series A Junior Participating Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be no more than 60 days prior to the date fixed for the payment thereof.

4.2.3. Voting Rights. The holders of shares of Series A Junior Participating Preferred Stock shall have the following voting rights:

(A) Subject to the provision for adjustment hereinafter set forth, each share of Series A Junior Participating Preferred Stock shall entitle the holder thereof to 200 votes on all matters submitted to a vote of the stockholders of the corporation. In the event the corporation shall at any time after the Rights Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the number of votes per share to which holders of shares of Series A Junior Participating Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) Except as otherwise provided herein or by law, the holders of shares of Series A Junior Participating Preferred Stock and the holders of shares of Common Stock shall vote together as one class on all matters submitted to a vote of stockholders of the corporation.

(C) (i) If at any time dividends on any Series A Junior Participating Preferred Stock shall be in arrears in an amount equal to six (6) quarterly dividends thereon, the occurrence of such contingency shall mark the beginning of a period (herein called a "default period") which shall extend until such time when all accrued and unpaid dividends for all previous quarterly dividend periods and for the current quarterly dividend period on all shares of Series A Junior Participating Preferred Stock then outstanding shall have been declared and paid or set apart for payment. During each default period, all holders of Preferred Stock (including holders of the Series A Junior Participating Preferred Stock) with dividends in arrears in an amount equal to six (6) quarterly dividends thereon, voting as a class, irrespective of series, shall have the right to elect two (2) Directors.

(ii) During any default period, such voting right of the holders of Series A Junior Participating Preferred Stock may be exercised initially at a special meeting called pursuant to subparagraph (iii) of this subsection 4.2.3(C) or at any annual meeting of stockholders, and thereafter at annual meetings of stockholders, provided that neither such voting right nor the right of the holders of any other series of Preferred Stock, if any, to increase in certain cases, the authorized number of Directors shall be exercised unless the holders of ten percent (10%) in number of shares of Preferred Stock outstanding shall be present in person or by proxy. The absence of a quorum of the holders of Common Stock shall not affect the exercise by the holders of Preferred Stock of such voting right. At any meeting at which the holders of Preferred Stock shall exercise such voting right initially during an existing default period, they shall have the right, voting as a class, to elect Directors to fill such vacancies, if any, in the Board of Directors as may then exist up to two (2) Directors or, if such right is exercised at an annual meeting, to elect two (2) Directors. If the number which may be so elected at any special meeting does not amount to the required number, the holders of the Preferred Stock shall have the right to make such increase in the number of Directors as shall be necessary to permit the election by them of the required number. After the holders of the Preferred Stock shall have exercised their right to elect Directors in any default period and during the continuance of such period, the number of Directors shall not be increased or decreased except by vote of the holders of Preferred Stock as herein provided or pursuant to the rights of any equity securities ranking senior to or pari passu with the Series A Junior Participating Preferred Stock.

(iii) Unless the holders of Preferred Stock shall, during an existing default period, have previously exercised their right to elect Directors, the Board of Directors may order, or any stockholder or stockholders owning in the aggregate not less than ten percent (10%) of the total number of shares of Preferred Stock outstanding, irrespective of series, may request, the calling of a special meeting of the holders of Preferred Stock, which meeting shall thereupon be called by the Chairman of the Board, the President or the Chief Executive Officer of the corporation. Notice of such meeting and of any annual meeting at which holders of Preferred Stock are entitled to vote pursuant to this paragraph (C)(iii) shall be given to each holder of record of Preferred Stock by mailing a copy of such notice to him at his last address as the same appears on the books of the corporation. Such meeting shall be called for a time not earlier than 10 days and not later than 60 days after such order or request or in default of the calling of such meeting within 60 days after such order or request, such meeting may be called on similar notice by any stockholder or stockholders owning in the aggregate not less than ten percent (10%) of the total number of shares of Preferred Stock outstanding. Notwithstanding the provisions of this paragraph (C)(iii), no such special meeting

shall be called during the period within 60 days immediately preceding the date fixed for the next annual meeting of the stockholders.

(iv) In any default period, the holders of Common Stock, and other classes of stock of the corporation if applicable, shall continue to be entitled to elect the whole number of Directors until the holders of Preferred Stock shall have exercised their right to elect two (2) Directors voting as a class, after the exercise of which right (x) the Directors so elected by the holders of Preferred Stock shall continue in office until their successors shall have been elected by such holders or until the expiration of the default period, and (y) any vacancy in the Board of Directors may (except as provided in paragraph (C)(ii) of this subsection 4.2.3) be filled by vote of a majority of the remaining Directors theretofore elected by the holders of the class of stock which elected the Director whose office shall become vacant. References in this paragraph (C) to Directors elected by the holders of a particular class of stock shall include Directors elected by such Directors to fill vacancies as provided in clause (y) of the foregoing sentence.

(v) Immediately upon the expiration of a default period, (x) the right of the holders of Preferred Stock as a class to elect Directors shall cease, (y) the term of any Directors elected by the holders of Preferred Stock as a class shall terminate, and (z) the number of Directors shall be such number as may be provided for in the Restated Certificate of Incorporation or By-laws irrespective of any increase made pursuant to the provisions of paragraph (C) (ii) of this subsection 4.2.3 (such number being subject, however, to change thereafter in any manner provided by law or in the Restated Certificate of Incorporation or By-laws). Any vacancies in the Board of Directors effected by the provisions of clauses (y) and (z) in the preceding sentence may be filled by a majority of the remaining Directors.

(D) Except as set forth herein, holders of Series A Junior Participating Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

4.2.4. Certain Restrictions.

(A) Whenever quarterly dividends or other dividends or distributions payable on the Series A Junior Participating Preferred Stock as provided in subsection 4.2.2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series A Junior Participating Preferred Stock outstanding shall have been paid in full, the corporation shall not:

(i) Declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire for consideration any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Junior Participating Preferred Stock;

(ii) Declare or pay dividends on or make any other distributions on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Junior Participating Preferred Stock except dividends paid ratably on the Series A Junior Participating Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) Redeem or purchase or otherwise acquire for consideration shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Junior Participating Preferred Stock provided that the corporation may at any time redeem, purchase or otherwise acquire shares of any such parity stock in exchange for shares of any stock of the corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Junior Participating Preferred Stock; or

(iv) Purchase or otherwise acquire for consideration any shares of Series A Junior Participating Preferred Stock or any shares of stock ranking on a parity with the Series A Junior Participating Preferred Stock except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(B) The corporation shall not permit any subsidiary of the corporation to purchase or otherwise acquire for consideration any shares of stock of the corporation unless the corporation could, under paragraph (A) of this subsection 4.2.4, purchase or otherwise acquire such shares at such time and in such manner.

4.2.5. Reacquired Shares. Any shares of Series A Junior Participating Preferred Stock purchased or otherwise acquired by the corporation in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock and may be reissued as part of a new series of Preferred Stock to be created by resolution or resolutions of the Board of Directors, subject to the conditions and restrictions on issuance set forth herein.

4.2.6. Liquidation, Dissolution or Winding Up.

(A) Upon any liquidation (voluntary or otherwise), dissolution or winding up of the corporation, no distribution shall be made to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Junior Participating Preferred Stock unless, prior thereto, the holders of shares of Series A Junior Participating Preferred Stock shall have received per share, the greater of 200 times $75 or 200 times the payment made per share of Common Stock, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment (the "Series A Liquidation Preference"). Following the payment of the full amount of the Series A Liquidation Preference, no additional distributions shall be made to the holders of shares of Series A Junior Participating Preferred Stock unless, prior thereto, the holders of shares of Common Stock shall have received an amount per share (the "Common Adjustment") equal to the quotient obtained by dividing (i) the Series A Liquidation Preference by (ii) 200 (as appropriately adjusted as set forth in subparagraph C below to reflect such events as stock splits, stock dividends and recapitalizations with respect to the Common Stock) (such number in clause (ii), the "Adjustment Number"). Following the payment of the full amount of the Series A Liquidation Preference and the Common Adjustment in respect of all outstanding shares of Series A Junior Participating Preferred Stock and Common Stock, respectively, holders of Series A Junior Participating Preferred Stock and holders of shares of Common Stock shall receive their ratable and proportionate share of the remaining assets to be distributed in the ratio of the Adjustment Number to 1 with respect to such Preferred Stock and Common Stock, on a per share basis, respectively.

(B) In the event there are not sufficient assets available to permit payment in full of the Series A Liquidation Preference and the liquidation preferences of all other series of Preferred Stock, if any, which rank on a parity with the Series A Junior Participating Preferred Stock then such remaining assets shall be distributed ratably to the holders of such parity shares in proportion to their respective liquidation preferences. In the event there are not sufficient assets available to permit payment in full of the Common Adjustment, then such remaining assets shall be distributed ratably to the holders of Common Stock.

(C) In the event the corporation shall at any time after the Rights Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the Adjustment Number in effect immediately prior to such event shall be adjusted by multiplying such Adjustment Number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after

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such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

4.2.7. Consolidation, Merger, etc. If the corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property then in any such event the shares of Series A Junior Participating Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share (subject to the provision for adjustment hereinafter set forth) equal to 200 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the corporation shall at any time after the Rights Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Junior Participating Preferred Stock shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that are outstanding immediately prior to such event.

4.2.8. Redemption. The shares of Series A Junior Participating Preferred Stock shall not be redeemable.

4.2.9. Ranking. The Series A Junior Participating Preferred Stock shall rank junior to all other series of the corporation's Preferred Stock as to the payment of dividends and the distribution of assets, unless the terms of any such series shall provide otherwise.

4.2.10. Fractional Shares. Series A Junior Participating Preferred Stock may be issued in fractions of a share which shall entitle the holder, in proportion to such holder's fractional shares, to exercise voting rights, receive dividends, participate in distributions and to have the benefit of all other rights of holders of Series A Junior Participating Preferred Stock.

4.3 There shall be designated a series of the corporation's Preferred Stock, as follows:

Section 1. Designation and Amount. There shall be a series of Preferred Stock of the Company which shall be designated as "Series B Mandatorily Convertible Single Reset Preferred Stock", par value $.01 per share, and the number of shares initially constituting such series shall be 200,000. Such number of shares may be increased by resolution of the Board of Directors to the extent necessary to fulfill

the Company's obligations to issue additional shares of Series B Mandatorily Convertible Single Reset Preferred Stock pursuant to the Remarketing Agreement (as defined in Section 2 hereof). Such number of shares may be decreased by resolution of the Board of Directors, provided that no decrease shall reduce the number of shares of Series B Mandatorily Convertible Single Reset Preferred Stock to a number less than that of the number of shares then outstanding.

Section 2. Definitions. Capitalized terms used herein which are not otherwise defined herein shall have the meaning ascribed thereto in the Company's Restated Certificate of Incorporation. In addition, the following terms shall have the following meanings when used herein:

"Average Trading Price" for a security for any given period means an amount equal to (i) the sum of the Closing Price for such security on each Trading Day in such period divided by (ii) the total number of Trading Days in such period.

"Board of Directors" shall mean the Board of Directors of the Company.

"Business Day" shall mean any day other than a Saturday, Sunday, or a day on which commercial banking institutions in the State of New York or the State of Texas are authorized or obligated by law or executive order to close.

"Closing Price" for a security means the closing price for such security on the Trading Day in question (or if such day is not a Trading Day then as of the Trading Day next preceding such day) as reported by Bloomberg L.P., or if not so reported by Bloomberg L.P., as reported by another recognized source selected by the Board of Directors.

"Common Stock" shall have the meaning specified in Subsection 6(9) hereof.

"Dividend Payment Date" shall have the meaning specified in Subsection 3(1) hereof.

"Failed Remarketing" shall have the meaning ascribed to such term in the Remarketing Agreement.

"Final Sale Date" shall have the meaning ascribed to such term in the Remarketing Agreement.

"junior stock" shall mean (and references to shares ranking "junior to" the Series B Mandatorily Convertible Single Reset Preferred Stock shall refer to),

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with respect to Sections 3 and 7 hereof, the Series A Junior Participating Preferred Stock of the Company, the Common Stock and any other class or series of stock of the Company which by its terms is not entitled to receive any dividends unless all dividends required to have been paid or declared and set apart for payment on the Series B Mandatorily Convertible Single Reset Preferred Stock shall have been so paid or declared and, with respect to Sections 4 and 7 hereof, the Series A Junior Participating Preferred Stock of the Company, the Common Stock and any other class or series of stock of the Company which by its terms is not entitled to receive any assets upon the liquidation, dissolution or winding up of the affairs of the Company until holders of the Series B Mandatorily Convertible Single Reset Preferred Stock shall have received the entire amount to which such holders are entitled upon liquidation, dissolution or winding up.

"Limestone Note Trigger Event" shall have the meaning ascribed to such term in the Remarketing Agreement.

"Mandatory Conversion" shall have the meaning specified in Subsection 6(1) hereof.

"Mandatory Conversion Date" shall have the meaning specified in Subsection 6(1) hereof.

"Mandatory Conversion Date Market Price" shall have the meaning specified in Subsection 6(1) hereof.

"Mandatory Conversion Rate" shall have the meaning specified in Subsection 6(1) hereof.

"Optional Conversion" shall have the meaning specified in Subsection 6(2) hereof.

"Optional Conversion Rate" shall have the meaning specified in Subsection 6(2) hereof.

"parity stock" shall mean (and references to shares ranking "on a parity with" the Series B Mandatorily Convertible Single Reset Preferred Stock shall refer to), with respect to Sections 3 and 7 hereof, any class or series of stock of the Company which by its terms is entitled to receive payment of dividends on a parity with the Series B Mandatorily Convertible Single Reset Preferred Stock and, with respect to Sections 4 and 7 hereof, any class or series of stock of the Company the holders of which by its terms are entitled to receive assets upon the liquidation, dissolution or winding up of the affairs of the Company on a parity

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with the holders of Series B Mandatorily Convertible Single Reset Preferred Stock.

"Principal Market" shall have the meaning ascribed to such term in the Remarketing Agreement.

"Rate Reset Date" means the earlier to occur of (A) the consummation of the remarketing of the Initial Shares (as such term is defined in the Remarketing Agreement), which is expected to be on or about the third Trading Day following the Successful Repricing Date, and (B) the date of a Failed Remarketing.

"Redemption Event" means the occurrence of any of the following: (i) any consolidation or merger of the Company with or into another corporation or entity, unless in connection with such consolidation or merger the outstanding shares of Common Stock immediately preceding the consummation of such consolidation or merger are converted into, exchanged for or otherwise represent a majority of the outstanding shares of common stock of the surviving or resulting corporation or entity immediately succeeding the consummation of such consolidation or merger or (ii) the Company sells or conveys to another entity (other than a Subsidiary) all or substantially all of the assets of the Company.

"Remarketing Agent" shall have the meaning ascribed to such term in the Remarketing Agreement.

"Remarketing Agreement" shall mean the El Paso Preferred Stock Remarketing and Registration Rights Agreement dated as of March 27, 2000 among the Company, El Paso Electron Share Trust, Limestone Electron Trust, United States Trust Company of New York, as Indenture Trustee, and Donaldson, Lufkin & Jenrette Securities Corporation, as Initial Remarketing Agent.

"Reset Common Yield" shall mean the quotient of (i) the product of (x) 4 and (y) the amount of the ordinary quarterly cash dividend on one share of Common Stock most recently declared prior to the Trigger Date (as appropriately adjusted for the events referred to in Subsection 6(3)(a)), unless subsequent to such declaration and prior to the Trigger Date, the Company has publicly announced a change to, or elimination of, its ordinary quarterly cash dividend (including a filing with the Securities and Exchange Commission including such change or elimination), in which case clause (y) above shall be the amount of such proposed ordinary quarterly cash dividend (or $0.00 if such dividend is to be eliminated), divided by (ii) the Reset Price (provided, however, that if as of the Trigger Date there is more than one class of Common Stock, then the Reset Common Yield shall be calculated with respect to each then outstanding class of Common Stock, and the Reset Common Yield (as used herein) shall be the

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amount calculated with respect to the class of Common Stock resulting in the greatest Reset Common Yield).

"Reset Dividend Rate" shall mean an amount per annum per share equal to the product of (i) the sum of (x) the Reset Common Yield (expressed as a percentage), plus (y) 7% and (ii) $5,000.00 (rounded to the nearest cent).

"Reset Price" shall mean the higher of (i) the Closing Price of a share of Common Stock on the Trigger Date or (ii) the quotient (rounded up to the nearest cent) of $1,000,000,000 divided by the number, as of the Trigger Date, of the authorized but unissued shares of Common Stock that have not been reserved as of the Trigger Date by the Board of Directors for other purposes, subject to adjustment as provided in Subsection 6(3)(a) hereof.

"Rights" means rights or warrants distributed by the Company under a shareholder rights plan or agreement to all holders of Common Stock entitling the holders thereof to subscribe for or purchase shares of the Company's capital stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Rights Events"), (i) are deemed to be transferred with such shares of Common Stock, (ii) are not exercisable and (iii) are also issued in respect of future issuances of Common Stock.

"Rights Events" shall have the meaning ascribed to such term in the definition of Rights.

"senior stock" shall mean (and references to shares ranking "senior to" or "prior to" the Series B Mandatorily Convertible Single Reset Preferred Stock shall refer to), with respect to Sections 3 and 7 hereof, any class or series of stock of the Company by its terms ranking senior to the Series B Mandatorily Convertible Single Reset Preferred Stock in respect of the right to receive dividends and, with respect to Sections 4 and 7 hereof, any class or series of stock of the Company by its terms ranking senior to the Series B Mandatorily Convertible Single Reset Preferred Stock with respect to the right of the holders thereof to receive assets upon the liquidation, dissolution or winding up of the affairs of the Company.

"Subsidiary" means any corporation or other entity of which the Company owns, directly or indirectly sufficient securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other individuals performing similar functions.

"Successful Repricing Date" shall have the meaning ascribed to such term in the Remarketing Agreement.

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"Threshold Appreciation Price" means the product of (i) the Reset Price as of the time in question and (ii) 1.10.

"Trading Day" means a day on which the Principal Market with respect to a security is regularly scheduled to be open for trading. For purposes of this definition, a day on which any such exchange is scheduled to close (as opposed to unexpectedly closing) prior to its regular closing time shall not constitute a Trading Day.

"Trigger Date" shall mean the earlier to occur of (A) the Successful Repricing Date and (B) the date of a Failed Remarketing.

Section 3. Dividends.

(1) The holders of the Series B Mandatorily Convertible Single Reset Preferred Stock shall not be entitled to receive any dividends (nor shall dividends commence to accrue) prior to, or with respect to any period ending prior to, the Rate Reset Date. The holders of the Series B Mandatorily Convertible Single Reset Preferred Stock, in preference to the rights of holders of any junior stock but subject to the rights of holders of any senior stock and parity stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of any funds legally available therefor cumulative cash dividends from the Rate Reset Date at the Reset Dividend Rate, and no more, payable on the dates as set forth in this Section 3. Dividends shall accrue on the Series B Mandatorily Convertible Single Reset Preferred Stock from the Rate Reset Date. Dividends shall be payable quarterly in arrears on each January 1, April 1, July 1, and October 1 commencing on the first such date following the Rate Reset Date (each such date being hereinafter referred to as a "Dividend Payment Date"); provided, that if any such Dividend Payment Date is not a Business Day, then any payment with respect to such Dividend Payment Date shall be payable on the next succeeding Business Day. Each such dividend shall be payable to holders of record as they appear on the books of the Company or any transfer agent for the Series B Mandatorily Convertible Single Reset Preferred Stock on such record dates as shall be fixed by the Board of Directors subject to applicable law (which record date shall be no more than 60 days prior to the date fixed for the payment thereof). Dividends on the Series B Mandatorily Convertible Single Reset Preferred Stock shall accrue on a daily basis commencing on and including the Rate Reset Date, and accrued dividends for each dividend period or portion thereof shall cumulate, to the extent not paid, as of the date on which such dividends were to have been paid. A dividend period shall commence on a Dividend Payment Date or the Rate Reset Date, as the case may be, and continue to the day next preceding the next succeeding Dividend Payment Date. Accumulated unpaid dividends shall not accrue interest. Dividends (or cash amounts equal to accrued and unpaid

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dividends) payable on the Series B Mandatorily Convertible Single Reset Preferred Stock for any period less than or more than a full quarterly period shall be computed on the basis of a 360-day year of twelve 30-day months and the actual number of days elapsed in any period less than one month. Dividends on the Series B Mandatorily Convertible Single Reset Preferred Stock shall accrue whether or not the Company has earnings, whether or not there are funds legally available for the payment of such dividends and whether or not such dividends are declared. Dividends in arrears for any past dividend periods or portions thereof may be declared and paid at any time without reference to any regular Dividend Payment Date to holders of record on such date as shall be fixed by the Board of Directors subject to applicable law. As provided in Subsection 6(1), dividends on the Series B Mandatorily Convertible Single Reset Preferred Stock shall cease to accrue on the day immediately preceding the Mandatory Conversion Date and, in the case of an Optional Redemption of the Series B Mandatorily Convertible Single Reset Preferred Stock, dividends shall accrue only to the extent provided in Subsection 6(2).

(2) As long as any shares of Series B Mandatorily Convertible Single Reset Preferred Stock are outstanding, no dividends or other distributions for any dividend period (other than dividends or other distributions payable in shares of, or warrants, rights or options exercisable for or convertible into, junior stock, and cash in lieu of fractional shares of such junior stock in connection with any such dividend or distribution) will be paid on any junior stock unless: (i) full dividends, if any, on all outstanding shares of senior stock, parity stock and Series B Mandatorily Convertible Single Reset Preferred Stock have been paid, or declared and set aside for payment, for all dividend periods terminating on or prior to the payment date of such junior stock dividend or distribution, to the extent such dividends on senior stock, parity stock or Series B Mandatorily Convertible Single Reset Preferred Stock are cumulative; (ii) the Company has paid or set aside all amounts, if any, then or theretofore required to be paid or set aside for all purchase, retirement, and sinking funds, if any, for any outstanding shares of senior stock or parity stock; and (iii) the Company is not in default on any of its obligations to redeem any outstanding shares of senior stock or parity stock.

In addition, as long as any Series B Mandatorily Convertible Single Reset Preferred Stock is outstanding, no shares of any junior stock may be purchased, redeemed, or otherwise acquired by the Company or any Subsidiary (except in connection with a reclassification or exchange of any junior stock through the issuance of other junior stock and cash in lieu of fractional shares of such junior stock in connection therewith) and except for the acquisition of shares of any junior stock pursuant to contractual obligations binding against the Company or any Subsidiary that were entered into prior to the date of the first issuance of shares of Series B Mandatorily Convertible Single Reset Preferred Stock or

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pursuant to contractual obligations that are entered into at a time subsequent thereto when such acquisitions of shares could be made pursuant to this Subsection 6(2) nor may any funds be set aside or made available for any sinking fund for the purchase or redemption of any junior stock unless: (i) full dividends, if any, on all outstanding shares of senior stock, parity stock and Series B Mandatorily Convertible Single Reset Preferred Stock have been paid, or declared and set aside for payment, for all dividend periods terminating on or prior to the date of such purchase, redemption or acquisition, to the extent dividends on such senior stock, parity stock or Series B Mandatorily Convertible Single Reset Preferred Stock dividends are cumulative, (ii) the Company has paid or set aside all amounts, if any, then or theretofore required to be paid or set aside for all purchase, retirement, and sinking funds, if any, for any outstanding shares of senior stock or parity stock; and (iii) the Company is not in default on any of its obligations to redeem any outstanding shares of senior stock or parity stock. Subject to the provisions described above, such dividends or other distributions (payable in cash, property, or junior stock) as may be determined from time to time by the Board of Directors may be declared and paid on the shares of any junior stock and from time to time junior stock may be purchased, redeemed or otherwise acquired by the Company or any Subsidiary. In the event of the declaration and payment of any such dividends or other distributions, the holders of such junior stock will be entitled, to the exclusion of holders of any outstanding senior stock or parity stock, to share therein according to their respective interests.

(3) As long as any Series B Mandatorily Convertible Single Reset Preferred Stock is outstanding, dividends or other distributions for any dividend period may not be paid on any outstanding shares of parity stock (other than dividends or other distributions payable in shares of, or warrants, rights or options exercisable for or convertible into, parity stock or junior stock and cash in lieu of fractional shares of such parity stock or junior stock in connection with any such dividend), unless either: (a)(i) full dividends, if any, on all outstanding shares of senior stock, parity stock and Series B Mandatorily Convertible Single Reset Preferred Stock have been paid, or declared and set aside for payment, for all dividend periods terminating on or prior to the payment date of such dividend or distribution with respect to such senior stock, parity stock or Series B Mandatorily Convertible Single Reset Preferred Stock, to the extent dividends on such senior stock, parity stock or Series B Mandatorily Convertible Single Reset Preferred Stock are cumulative; (ii) the Company has paid or set aside all amounts, if any, then or theretofore required to be paid or set aside for all purchase, retirement and sinking funds, if any, for any outstanding shares of senior stock or parity stock; and (iii) the Company is not in default on any of its obligations to redeem any outstanding shares of senior stock or parity stock; or (b) any such dividends are declared and paid pro rata so that the amounts of any dividends declared and paid per share on outstanding Series B Mandatorily Convertible Single Reset Preferred

Stock and each share of such parity stock will in all cases bear to each other the same ratio that accrued and unpaid dividends (including any accumulation with respect to unpaid dividends for prior dividend periods, if such dividends are cumulative) per share of outstanding Series B Mandatorily Convertible Single Reset Preferred Stock and such outstanding shares of parity stock bear to each other.

In addition, as long as any Series B Mandatorily Convertible Single Reset Preferred Stock is outstanding, no shares of any parity stock may be purchased, redeemed or otherwise acquired by the Company or any Subsidiary (except with any parity stock, junior stock and cash in lieu of fractional shares of such parity stock or junior stock in connection therewith and except for the acquisition of shares of any parity stock pursuant to contractual obligations binding against the Company or any Subsidiary that were entered into prior to the date of the first issuance of shares of Series B Mandatorily Convertible Single Reset Preferred Stock or pursuant to contractual obligations that are entered into at a time subsequent thereto when such acquisitions of shares could be made pursuant to this Subsection 6(3)) unless: (i) full dividends, if any, on all outstanding shares of senior stock, parity stock and Series B Mandatorily Convertible Single Reset Preferred Stock have been paid, or declared and set aside for payment, for all dividend periods terminating on or prior to the date of such purchase, redemption or other acquisition, to the extent dividends on such senior stock, parity stock or Series B Mandatorily Convertible Single Reset Preferred Stock are cumulative; (ii) the Company has paid or set aside all amounts, if any, then or theretofore required to be paid or set aside for all purchase, retirement, and sinking funds, if any, for any outstanding shares of senior stock or parity stock; and (iii) the Company is not in default of any of its obligations to redeem any outstanding shares of senior stock or parity stock.

(4) Any dividend payment made on the Series B Mandatorily Convertible Single Reset Preferred Stock shall first be credited against the earliest accrued but unpaid dividend due with respect to the Series B Mandatorily Convertible Single Reset Preferred Stock.

(5) All dividends paid with respect to the Series B Mandatorily Convertible Single Reset Preferred Stock shall be paid pro rata to the holders entitled thereto.

Section 4. Liquidation Preference. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, then, before any distribution or payments shall be made to the holders of any junior stock, but subject to the rights of any senior stock or parity stock, the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock shall be entitled to be paid in full in cash the amount of $5,000.00 per share, together with, to the extent

lawful, accrued dividends to the date of such distribution or payment, whether or not earned or declared. If such payment shall have been made in full to the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock and all preferential payments or distributions to be made with respect to senior stock and parity stock have been made in full, the remaining assets and funds of the Company shall be distributed among the holders of the junior stock, according to their respective rights and preferences and in each case according to their respective shares. If, upon any liquidation, dissolution or winding up of the affairs of the Company, the amounts so payable are not paid in full to the holders of all shares of the Series B Mandatorily Convertible Single Reset Preferred Stock and parity stock, the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock, together with holders of parity stock, shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. Neither the consolidation or merger of the Company with another entity, nor the sale, lease, transfer, exchange or conveyance of all or a part of its assets, shall be deemed a liquidation, dissolution or winding up of the affairs of the Company within the meaning of the foregoing provisions of this Section 4.

Section 5. Redemption. The Company shall have the right to redeem all, but not less than all, of the outstanding Series B Mandatorily Convertible Single Reset Preferred Stock (x) at any time following a Redemption Event and prior to a Trigger Date and (y) at any time prior to a Limestone Note Trigger Event, in each case in cash at the redemption price of $5,000.00 per share (the "Redemption Price"). Except as set forth in the preceding sentence and to the extent contemplated by Section 6(1)(y), the Company shall not have the right to redeem any or all of the Series B Mandatorily Convertible Single Reset Preferred Stock at any other time. Notice of a redemption of the Series B Mandatorily Convertible Single Reset Preferred Stock shall be provided in writing to the holders of record of such shares at their respective addresses as they shall appear on the books of the Company at least two Business Days and not more than 60 calendar days prior to the date fixed for redemption. Each such notice of redemption shall specify the date fixed for redemption and the Redemption Price. On or after the date fixed for redemption as stated in such notice, each holder of the shares called for redemption shall surrender the certificate evidencing such shares to the Company and shall thereupon be entitled to receive payment of the Redemption Price. If, on the date fixed for redemption, funds necessary for the redemption shall be available therefor and shall have been irrevocably deposited or set aside, then, notwithstanding that the certificates evidencing any shares so called for redemption shall not have been surrendered, the shares shall no longer be deemed outstanding, and all rights whatsoever with respect to the shares so called for redemption (except the right of the holders to receive the Redemption Price without interest upon surrender of their certificates therefor) shall terminate.

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Section 6. Conversion.

(1) Unless previously converted at the option of the holder in accordance with the provisions hereof, on the earlier to occur of (i) the third anniversary of the Rate Reset Date and (ii) March 15, 2006, or if such date is not a Business Day, the next succeeding day that is a Business Day (the "Mandatory Conversion Date"), each outstanding share of Series B Mandatorily Convertible Single Reset Preferred Stock shall, without additional notice to holders thereof, convert automatically (the "Mandatory Conversion") into (x) a number of fully paid and non-assessable shares of Common Stock at the Mandatory Conversion Rate (as defined herein) in effect on the Mandatory Conversion Date; and (y) the right to receive an amount in cash equal to all accrued and unpaid dividends on such share of Series B Mandatorily Convertible Single Reset Preferred Stock (other than previously declared dividends payable to a holder of record as of a prior date) to and including the day immediately prior to the Mandatory Conversion Date, whether or not earned or declared, out of funds legally available therefor (and if sufficient funds are not then legally available therefor, the Company shall pay such amount, if any, pro rata (based on the amounts so owing) to the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock and any parity stock then entitled to similar payment as is then legally available therefor and shall pay any deficiency thereafter as soon as funds are legally available therefor). The "Mandatory Conversion Rate" is equal to the following number of shares of Common Stock per share of Series B Mandatorily Convertible Single Reset Preferred Stock: (a) if the Mandatory Conversion Date Market Price is greater than or equal to the Threshold Appreciation Price, the quotient of (i) $5,000.00 divided by (ii) the Threshold Appreciation Price, (b) if the Mandatory Conversion Date Market Price is less than the Threshold Appreciation Price but is greater than the Reset Price, the quotient of $5,000.00 divided by the Mandatory Conversion Date Market Price and (c) if the Mandatory Conversion Date Market Price is less than or equal to the Reset Price, the quotient of $5,000.00 divided by the Reset Price, subject to adjustment as provided in this Section 6. "Mandatory Conversion Date Market Price" shall mean the Average Trading Price per share of Common Stock for the 20 consecutive Trading Days immediately prior to, but not including, the Mandatory Conversion Date; provided, however, that if an event occurs during such 20 consecutive Trading Days that would require an adjustment to the Mandatory Conversion Rate pursuant to Subsections 6(3) or 6(5), the Board of Directors may make such adjustments to the Average Trading Price for shares of Common Stock for such 20 Trading Day period as it reasonably deems appropriate to effectuate the intent of the adjustments in Subsections 6(3) and 6(5), in which case any such determination by the Board of Directors shall be set forth in a resolution of the Board of Directors and shall be conclusive absent manifest error.

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Dividends on the Series B Mandatorily Convertible Single Reset Preferred Stock shall cease to accrue on the day immediately preceding, and the Series B Mandatorily Convertible Single Reset Preferred Stock shall cease to be outstanding on, the Mandatory Conversion Date. The Company shall make arrangements as it deems appropriate for the issuance of certificates representing Common Stock and for the payment of cash in respect of such accrued and unpaid dividends, if any, or cash in lieu of fractional shares, if any, in exchange for and contingent upon surrender of certificates representing the Series B Mandatorily Convertible Single Reset Preferred Stock, and the Company may defer the payment of dividends on such Common Stock and the voting thereof until, and make such payment and voting contingent upon, the surrender of such certificates representing the Series B Mandatorily Convertible Single Reset Preferred Stock, provided that the Company shall give the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock such notice of any such actions as the Company deems appropriate and upon such surrender such holders shall be entitled to receive such dividends declared and paid on such Common Stock subsequent to the Mandatory Conversion Date. Amounts payable in cash in respect of the Series B Mandatorily Convertible Single Reset Preferred Stock or in respect of such Common Stock shall not bear interest.

(2) Shares of Series B Mandatorily Convertible Single Reset Preferred Stock shall be convertible, at the option of the holders thereof ("Optional Conversion") at any time on or after the Rate Reset Date and before the Mandatory Conversion Date, into Common Stock at a rate equal to the number of shares of Common Stock per share of Series B Mandatorily Convertible Single Reset Preferred Stock (the "Optional Conversion Rate") equal to the quotient of (i) $5,000.00 divided by (ii) the Threshold Appreciation Price, subject to adjustment as set forth in this Section 6. Prior to the Rate Reset Date, the Optional Conversion Rate shall be 122.231 shares of Common Stock for each share of Series B Mandatorily Convertible Single Reset Preferred Stock, subject to adjustment as set forth in this Section 6. Optional Conversion of shares of Series B Mandatorily Convertible Single Reset Preferred Stock may be effected by delivering certificates evidencing such shares of Series B Mandatorily Convertible Single Reset Preferred Stock, together with written notice of conversion and, if required by the Company, a proper assignment of such certificates to the Company or in blank (and, if applicable as provided in the following paragraph, cash payment of an amount equal to the dividends attributable to the current dividend period payable on such shares), to the office of the transfer agent for the shares of Series B Mandatorily Convertible Single Reset Preferred Stock or to any other office or agency maintained by the Company for that purpose and otherwise in accordance with Optional Conversion procedures established by the Company. Each Optional Conversion shall be deemed to have been effected immediately before the close of

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business on the date on which the foregoing requirements shall have been satisfied. The Optional Conversion shall be at the Optional Conversion Rate in effect at such time and on such date.

Holders of shares of Series B Mandatorily Convertible Single Reset Preferred Stock at the close of business on a record date for any payment of declared dividends shall be entitled to receive the dividend payable on such shares on the corresponding Dividend Payment Date or other date fixed for payment of dividends notwithstanding the Optional Conversion of such shares following such record date and on or prior to such Dividend Payment Date or other date fixed for payment of dividends. However, shares of Series B Mandatorily Convertible Single Reset Preferred Stock surrendered for Optional Conversion after the close of business on a record date for any payment of declared dividends and before the opening of business on the next succeeding Dividend Payment Date or other date fixed for payment of dividends must be accompanied by payment in cash of an amount equal to the dividends attributable to the current dividend period payable on such shares on such next succeeding Dividend Payment Date or other date fixed for payment of dividends. Except as provided in this Subsection 6(2), upon any Optional Conversion, the Company shall make no payment of or allowance for unpaid dividends, whether or not in arrears, on such converted shares of Series B Mandatorily Convertible Single Reset Preferred Stock as to which Optional Conversion has been effected or for previously declared dividends or distributions on the shares of Common Stock issued upon such Optional Conversion.

(3) The Optional Conversion Rate shall be adjusted from time to time and the Mandatory Conversion Rate shall be adjusted from time to time after the Rate Reset Date in respect of events occurring after the Rate Reset Date, as follows:

(a) In case the Company shall (i) pay a dividend on its Common Stock in other Common Stock, (ii) subdivide or split its outstanding Common Stock into a greater number of shares, (iii) combine its outstanding Common Stock into a smaller number of Common Stock, or (iv) issue by reclassification of its Common Stock any other Common Stock (including in connection with a merger in which the Company is a surviving corporation), then, in any such event, (1) the Mandatory Conversion Rate in effect immediately prior to such event shall be adjusted such that the Reset Price shall be adjusted by multiplying it by a fraction (which fraction and all other fractions referred to herein may be improper fractions), the numerator of which is one and the denominator of which is the number of shares of Common Stock that a holder of one share of Common Stock prior to any event described above would hold after such event (assuming the issuance of fractional shares) (the "Recapitalization Adjustment Ratio"), and (2) the Optional Conversion Rate in effect immediately prior to such event shall be adjusted by multiplying it by a fraction, the numerator of which is one and the

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denominator of which is the Recapitalization Adjustment Ratio. Such adjustment shall become effective immediately after the effective date of any such event (or the earlier record date in the case of any such dividend) whenever any of the events listed above shall occur.

(b) In case the Company shall issue rights or warrants to all holders of its Common Stock entitling them (for a period, except in the case of Rights, expiring within 45 days after the record date for determination of the shareholders entitled to receive such rights or warrants) to subscribe for or purchase Common Stock at a price per share of Common Stock less than the current market price per share of Common Stock (as defined in Subsection 6(4)) on such record date, then in each such case the Mandatory Conversion Rate on the date of such issuance shall be adjusted such that the Reset Price shall be adjusted by multiplying it by a fraction the numerator of which shall be the sum of (x) the number of shares of Common Stock outstanding immediately prior to such issuance, plus (y) the number of additional shares of Common Stock which the aggregate offering price of the total number of shares of Common Stock so offered for subscription or purchase would purchase at the Average Trading Price for a share of Common Stock on the record date for such issuance, and the denominator of which shall be the sum of (x) the number of shares of Common Stock outstanding immediately prior to such issuance, plus (y) the number of additional shares of Common Stock offered for subscription or purchase pursuant to such rights or warrants (the "Anti-Dilution Adjustment Ratio"); and (B) the Optional Conversion Rate in effect on the record date described below shall be adjusted by multiplying it by a fraction, the numerator of which is one and the denominator of which is the Anti-Dilution Adjustment Ratio. For purposes of this Subsection 6(3)(b), the issuance of rights or warrants to subscribe for or purchase securities exercisable for, convertible into, or exchangeable for, shares of Common Stock shall be deemed to be the issuance of rights or warrants to purchase the shares of Common Stock into which such securities are exercisable, convertible or exchangeable at an aggregate offering price equal to the aggregate offering price of such securities plus the minimum aggregate amount (if any) payable upon the exercise, conversion or exchange of such securities. Such adjustment shall become effective at the opening of business on the Business Day next following the record date for such rights or warrants. To the extent that any shares of Common Stock, or securities exercisable for, convertible into, or exchangeable for, shares of Common Stock so offered for subscription or purchase are not so subscribed or purchased by the expiration of such rights or warrants, the Mandatory Conversion Rate and the Optional Conversion Rate shall each be readjusted to the rates or amounts, respectively, which would then be in effect, had the adjustment made upon the issuance of such rights or warrants been made upon the basis of the issuance of rights or warrants in respect of only the number of shares of Common Stock and

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securities exercisable for, convertible into, or exchangeable for, shares of Common Stock actually issued upon exercise of such rights or warrants.

(c) If the Company shall pay a dividend or make a distribution to all holders of its Common Stock consisting of evidences of its indebtedness or other assets (including capital shares of the Company other than Common Stock but excluding any Ordinary Cash Dividends (as defined below)), or shall issue to all holders of its Common Stock rights or warrants to subscribe for or purchase any of its securities (other than those referred to in Subsection 6(b)), then in each such case the Mandatory Conversion Rate in effect immediately prior to such event shall be adjusted such that the Reset Price shall be adjusted by multiplying it by a fraction, the numerator of which shall be the Average Trading Price for a share of Common Stock on such record date, minus the fair market value as of such record date of the portion of evidences of indebtedness or other assets so distributed, or of such subscription rights or warrants, applicable to one share of Common Stock (provided that such numerator shall never be less than $1.00) and the denominator of which shall be the Average Trading Price for a share of Common Stock on such record date (the "Distribution Adjustment Ratio"); and (B) the Optional Conversion Rate in effect immediately prior to such event shall be adjusted by multiplying it by a fraction, the numerator of which is one and the denominator of which is the Distribution Adjustment Ratio. Such adjustment shall become effective on the opening of business on the Business Day next following the record date for such dividend or distribution or the determination of shareholders entitled to receive such dividend or distribution or rights or warrants, as the case may be. "Ordinary Cash Dividends" shall mean (i) any regular cash dividend on the Common Stock that does not exceed the per share amount of immediately preceding regular cash dividend on the Common Stock (as adjusted to appropriately reflect any of the events referred to in Subsection 6(3)(a)) and (ii) any other cash dividend or distribution which, when combined on a per share basis with the per share amount of all other cash dividends and distributions paid on the Common Stock during the 365-day period ending on the date of declaration of such dividend or distribution (as adjusted to appropriately reflect any of the events referred to in Subsection 6(3)(a) and excluding cash dividends or distributions that resulted in an adjustment to the Mandatory Conversion Rate or the Optional Conversion Rate), does not exceed 10% of the current market price per Common Stock (determined pursuant to Subsection 6(4)) on the Trading Day immediately preceding the date of declaration of such dividend or distribution.

(4) For the purpose of any computation under Subsection 6(3), the "current market price per share of Common Stock" on any date in question shall mean the Average Trading Price for shares of Common Stock for the 15 consecutive Trading Days ending on the earlier of the day in question and, if applicable, the day before the "ex" date with respect to the issuance or distribution requiring such

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computation; provided, however, that if another event occurs that would require an adjustment pursuant to Subsection 6(3), the Board of Directors may make such adjustments to the Average Trading Price for shares of Common Stock during such 15 Trading Day period as it reasonably deems appropriate to effectuate the intent of the adjustments in Subsection 6(3), in which case any such determination by the Board of Directors shall be set forth in a Board resolution and shall be conclusive absent manifest error. For purposes of this Subsection, the term "ex" date, when used with respect to any issuance or distribution, means the first date on which the shares of Common Stock trade regular way on the relevant exchange or in the relevant market from which the Average Trading Price was obtained without the right to receive such issuance or distribution. For the purpose of any computation under Subsection 6(3), the "fair market value" of any assets, evidences of indebtedness, subscription rights or warrants on any date in question: (i) in the event any such item is a publicly traded security ("Publicly Traded Security"), shall be determined for such date pursuant to the provisions of this Subsection 6(4) for determination of the "current market price per share of Common Stock", except that (x) each reference therein to "Common Stock" shall be deemed to mean such Publicly Traded Security, and (y) if such Publicly Traded Security does not trade on a "when issued" basis for the 15 consecutive Trading Days preceding the "ex" date, such determination shall be made for the period of 15 consecutive Trading Days commencing on the "ex" date; and (ii) in the event any such item is not a Publicly Traded Security, shall be reasonably determined in good faith for such date by the Board of Directors, as evidenced by a resolution of the Board, whose determination shall be conclusive absent manifest error.

(5) In any case of any reclassification of Common Stock (other than a reclassification of the Common Stock referred to in Subsection 6(3)(a)); any consolidation or merger of the Company with or into another company or other entity (other than a merger resulting in a reclassification of the Common Stock referred to in Subsection 6(3)(a)); or any sale or conveyance to another entity (other than a Subsidiary) of all or substantially all of the assets of the Company (any such event referred to herein as a "Transaction"), then the Optional Conversion Rate and Mandatory Conversion Rate shall be adjusted so that after consummation of such a Transaction the holders of shares of Series B Mandatorily Convertible Single Reset Preferred Stock will receive, in lieu of the number of shares of Common Stock which such holder would have received upon conversion but for such Transaction, the kind and amount of securities, cash and other property receivable upon consummation of such Transaction by a holder of such number of shares of Common Stock, subject to further adjustment as provided in this Section 6, including without limitation, an adjustment to the Optional Conversion Rate on the Rate Reset Date if such Transaction occurs prior to the Rate Reset Date. On and after the consummation of any such Transaction, the Mandatory Conversion Date Market Price, which shall be used for purposes of

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the determination as to which of clauses (a), (b) or (c) of the definition of Mandatory Conversion Rate applies, shall mean the sum of (i) the product of the Average Trading Price of any Publicly Traded Security received upon consummation of such Transaction for the 20 consecutive Trading Days immediately prior to, but not including, the Mandatory Conversion Date multiplied by the fraction of such security received in such Transaction per share of Common Stock (assuming the issuance of fractional shares) plus (ii) the fair market value of the cash and other property received upon consummation of such Transaction per share of Common Stock as of the day preceding the Mandatory Conversion Date as determined in accordance with Subsection 6(4). In determining the kind and amount of securities, cash or other property receivable upon consummation of such Transaction by a holder of shares of Common Stock, it shall be assumed that such holder is not a person or entity with which the Company consolidated or into which the Company was merged or which merged into the Company, as the case may be, or an affiliate of any such Person and that such holder of Common Stock failed to exercise rights of election, if any, as to the kind or amount of securities, cash, or other property receivable upon consummation of such transaction (provided that, if the kind or amount of securities, cash, or other property receivable upon consummation of such Transaction is not the same for each non-electing share, then the kind and amount of securities, cash, or other property receivable upon consummation of such transaction for each non-electing share shall be deemed to be the kind and amount so receivable per share by a plurality of the non-electing shares). In the event of such a reclassification, consolidation, merger, sale or conveyance, effective provisions shall be made in the certificate of incorporation or similar document of the resulting or surviving Company or entity so that the conversion rate applicable to any securities or property into which the shares of the Series B Mandatorily Convertible Single Reset Preferred Stock shall then be convertible shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Stock contained in Subsections 6(3)(a), 6(3)(b) and 6(3)(c) inclusive, and the other provisions of this Section 6 with respect to the Common Stock shall apply on terms as nearly equivalent as practicable to any such other securities and property deliverable upon conversion of shares of Series B Mandatorily Convertible Single Reset Preferred Stock.

(6) Whenever any adjustments are required in the shares of Common Stock into which each share of Series B Mandatorily Convertible Single Reset Preferred Stock is convertible, the Company shall forthwith (a) compute the adjusted Mandatory Conversion Rate and Optional Conversion Rate in accordance herewith and prepare a certificate signed by an officer of the Company setting forth the adjusted Mandatory Conversion Rate and the Optional Conversion Rate, describing in reasonable detail the method of calculation used and the facts

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requiring such adjustment and upon which such adjustment is based, which certificate shall be conclusive, final and binding evidence of the correctness of the adjustment and file with the transfer agent of the Series B Mandatorily Convertible Single Reset Preferred Stock such certificate and (b) cause a copy of such certificate to be mailed to each holder of record of the Series B Mandatorily Convertible Single Reset Preferred Stock as of or promptly after the effective date of such adjustment and, with respect to adjustments applicable after the Rate Reset Date, make a prompt public announcement of such adjustment.

(7) The Company shall at all times reserve and keep available, free from preemptive rights out of its authorized but unissued shares of Common Stock for the purpose of issuance upon conversion of the Series B Mandatorily Convertible Single Reset Preferred Stock a number of shares of Common Stock equal to the product of (i) the number of shares of Common Stock then deliverable at such time upon an Optional Conversion of all shares of the Series B Mandatorily Convertible Single Reset Preferred Stock multiplied by (ii) 1.10.

(8) The Company will pay any and all documentary stamp or similar issue or transfer taxes that may be payable in respect of the issuance or delivery of shares of Common Stock on conversion of shares of the Series B Mandatorily Convertible Single Reset Preferred Stock pursuant to this Section 6. The Company shall not, however, be required to pay any tax which may be payable in respect of any transfer involving the issue and delivery of shares of Common Stock in the name other than in that which the shares of Series B Mandatorily Convertible Single Reset Preferred Stock so converted were registered and no such issue and delivery shall be made unless and until the person requesting such issue has paid to the Company the amount of any such tax, or has established to the satisfaction of the Company, that such tax has been paid.

(9) For the purpose of this Section 6, the term "Common Stock" shall include any shares of the Company of any class or series which has no preference or priority in the payment of dividends or in the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of the Company and which is not subject to redemption by the Company. However, Common Stock issuable upon conversion of the Series B Mandatorily Convertible Single Reset Preferred Stock shall include only shares of the class designated as Common Stock as of the original date of issuance of the Series B Mandatorily Convertible Single Reset Preferred Stock, or shares of the Company of any classes or series resulting from any reclassification or reclassifications thereof (including reclassifications referred to in clause (iv) of Subsection 6(3)(a)) and which have no preference or priority in the payment of dividends or in the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of the Company and which are not subject to redemption by the Company, provided

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that, if at any time, there shall be more than one such resulting class or series, the shares of such class and series then so issuable shall be in the same proportion, if possible, or if not possible, in substantially the same proportion which the total number of shares of such class and series resulting from all such reclassifications bears to the total number of shares of all classes and series resulting from all such reclassifications.

(10) No fractional shares or scrip representing fractional shares shall be issued upon the conversion of the Series B Mandatorily Convertible Single Reset Preferred Stock. If any such conversion would otherwise require the issuance of a fractional share, an amount equal to such fraction multiplied by the current market price per share of Common Stock (determined as provided in Subsection 6(4)) of the Common Stock on the date of conversion shall be paid to the holder in cash by the Company. If on such date there is no current market price per share of Common Stock, the fair market value of a share of Common Stock (determined as provided in Subsection 6(4)) on such date, shall be used. If more than one share of Series B Mandatorily Convertible Single Reset Preferred Stock shall be surrendered for conversion at one time or for the same holder, the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of Series B Mandatorily Convertible Single Reset Preferred Stock so surrendered.

(11) All shares of the Series B Mandatorily Convertible Single Reset Preferred Stock purchased or otherwise acquired by the Company (including shares surrendered for conversion) shall be canceled and thereupon restored to the status of authorized but unissued shares of Preferred Stock undesignated as to series.

(12) No adjustment in the Mandatory Conversion Rate and the Optional Conversion Rate shall be required unless such adjustment (plus any adjustments not previously made by reason of this Subsection 6(12)) would require an increase or decrease of at least 1% in the number of shares of Common Stock into which each share of the Series B Mandatorily Convertible Single Reset Preferred Stock is then convertible; provided, however, that any adjustments which by reason of this Subsection 6(12) are not required to be made shall be carried forward and taken into account in any subsequent adjustment and provided further that any adjustment shall be required and made in accordance with the provisions of Subsection 6(3) not later than such time as may be required in order to preserve the tax free nature of a distribution to the holders of shares of Common Stock. If any action or transaction would require adjustment to the Mandatory Conversion Rate or the Optional Conversion Rate pursuant to this Section 6, only one adjustment shall be made and such adjustment shall be the amount of the adjustment that has the highest absolute value. All calculations under this Section 6 shall be made to the nearest one-hundredth of a share of Common Stock.

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(13) The Board of Directors may make such upward adjustments in the Mandatory Conversion Rate and the Optional Conversion Rate, in addition to those required by this Section 6, as shall be determined by the Board of Directors, as evidenced by a resolution of the Board of Directors, to be advisable in order that any stock dividends, subdivisions of shares, distribution of rights to purchase stock or securities, or distribution of securities convertible into or exchangeable for stock (or any transaction that could be treated as any of the foregoing transactions pursuant to Section 305 of the Internal Revenue Code of 1986, as amended) made by the Company to its stockholders after the Rate Reset Date shall not be taxable. The determination of the Board of Directors as to whether an adjustment should be made pursuant to the provisions of this Subsection 6(13), and if so, as to what adjustment should be made and when, shall be conclusive, final and binding on the Company and all stockholders of the Company.

(14) In any case in which Section 6 shall require that an adjustment as a result of any event become effective at the opening of business on the Business Day next following a record date and the date fixed for conversion occurs after such record date, but before the occurrence of such event, the Company may, in its sole discretion, elect to defer (A) issuing to the holder of any converted Series B Mandatorily Convertible Single Reset Preferred Stock the additional shares of Common Stock issuable upon such conversion over the shares of Common Stock issuable before giving effect to such adjustments and (B) paying to such holder any amount in cash in lieu of a fractional share of Common Stock pursuant to Subsection 6(10), in each case until after the occurrence of such event.

(15) Notwithstanding the foregoing provisions of this Section 6, no adjustment of the Optional Conversion Rate or the Mandatory Conversion Rate shall be required to be made upon the issuance of any shares of Common Stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on securities of the Company and the investment of additional optional amounts in shares of Common Stock under any such plan or upon the issuance of shares of Common Stock (or securities, rights, warrants, options or similar rights, which are convertible or exercisable for shares of Common Stock) pursuant to any compensatory plan of the Company.

(16) Notwithstanding any other provision of this Section 6, the issuance or distribution of Rights shall not be deemed to constitute an issuance or a distribution or dividend of rights, warrants, or other securities to which any of the adjustment provisions described above applies until the occurrence of the earliest Rights Event.

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(17) For purposes of this Section 6, shares of Common Stock owned by, or held for the account of, the Company, a Subsidiary or another entity of which a majority of the common stock or common equity interests are owned, directly or indirectly, by the Company shall be deemed to be not outstanding.

Section 7. Voting Rights. The holders of Series B Mandatorily Convertible Single Reset Preferred Stock shall have no right to vote except as otherwise specifically provided herein, in the Company's Restated Certificate of Incorporation or as required by statute.

(1) So long as any shares of Series B Mandatorily Convertible Single Reset Preferred Stock are outstanding, in addition to any other vote or consent of shareholders required in the Company's Restated Certificate of Incorporation by law, the affirmative vote of the holders of at least a majority of the Series B Mandatorily Convertible Single Reset Preferred Stock, given in person or by proxy, either pursuant to a consent in writing without a meeting (if permitted by law) and the Company's Restated Certificate of Incorporation or by vote at any meeting called for the purpose, shall be necessary for effecting or validating:

(a) any amendment, alteration or repeal of any of the provisions of the Company's Restated Certificate of Incorporation which affects adversely the powers, rights or preferences of the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock or reduces the minimum time required for any notice to which holders of Series B Mandatorily Convertible Single Reset Preferred Stock then outstanding may be entitled; provided, that the amendment of the provisions of the Company's Restated Certificate of Incorporation so as to authorize or create, or to increase the authorized amount of any junior stock or parity stock (including additional shares of Series B Mandatorily Convertible Single Reset Preferred Stock) shall not be deemed to affect adversely the powers, rights or preferences of the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock and shall not be subject to approval by the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock and such holders shall not be entitled to vote thereon to the fullest extent permitted by law.

(b) the authorization, creation or issuance of, or the increase in the authorized amount of, any stock of any class or series, or any security convertible into stock of any class or series, ranking senior to the Series B Mandatorily Convertible Single Reset Preferred Stock; or

(c) the merger or consolidation of the Company with or into any other corporation or other entity, unless in connection with such merger or consolidation each holder of shares of Series B Mandatorily Convertible Single Reset Preferred Stock immediately preceding such merger or consolidation shall

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either (I) with respect to a merger or consolidation consummated prior to, on or after the Rate Reset Date, receive or continue to hold in the surviving or resulting corporation or other entity the same number of shares, with substantially the same rights and preferences (except as contemplated by Subsection 6(5) and except for those rights and preferences that could be affected without the vote of the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock, such as the authorization and issuance of parity stock or junior stock), as correspond to the shares of Series B Mandatorily Convertible Single Reset Preferred Stock held immediately prior to such merger or consolidation or (II) with respect to a merger or consolidation consummated after the Rate Reset Date, receive the kind and amount of securities, cash and other property that would have been receivable upon consummation of such merger or consolidation by such holder (subject to the assumptions set forth in Subsection 6(5)) if the Mandatory Conversion had occurred immediately prior to the consummation of such merger or consolidation and the Mandatory Conversion Rate was determined as of such time (and if clause (I) or (II) are applicable, then such merger or consolidation or shall not be subject to approval by the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock and such holders shall not be entitled to vote thereon).

(2) (a) In the event that full cumulative dividends on the Series B Mandatorily Convertible Single Reset Preferred Stock are not paid and are in arrears for six consecutive quarterly dividend periods following the Rate Reset Date, the number of directors of the Company constituting the entire Board of Directors shall be increased by two persons and the holders of shares of the Series B Mandatorily Convertible Single Reset Preferred Stock, voting separately as a class (together with the holders of shares of all other series of capital stock of the Company, including the Series A Junior Participating Preferred Stock, having the then present right to elect one or more directors as a result of a dividend arrearage but not then entitled to other separate voting rights to elect one or more directors in the event of such an arrearage (herein referred to as "Class Voting Stock")), shall have the right to elect such additional two directors to fill such positions at any regular meeting of shareholders or special meeting held in place thereof, or at a special meeting called as provided in Subsection 7(2)(c). Whenever all arrearages of dividends on the Series B Mandatorily Convertible Single Reset Preferred Stock then outstanding shall have been paid or declared and irrevocably set apart for payment, then the right of the holders of shares of the Series B Mandatorily Convertible Single Reset Preferred Stock to elect such additional two directors shall cease (but subject always to the same provisions for the vesting of such voting rights in the case of any similar future arrearages in dividends), and the terms of office of all persons previously elected as directors by the holders of shares of the Series B Mandatorily Convertible Single Reset Preferred Stock and such other Class Voting Stock shall forthwith terminate and the number of the Board of Directors shall be reduced accordingly.

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(b) At any time after the voting power referred to in Subsection 7(2)(a) shall have been so vested in the holders of shares of the Series B Mandatorily Convertible Single Reset Preferred Stock, the Secretary of the Company may, and upon the written request of any holder or the holders of at least 10% of the number of shares of Series B Mandatorily Convertible Single Reset Preferred Stock then outstanding (addressed to the Secretary at the principal executive office of the Company) shall, call a special meeting of the holders of shares of the Series B Mandatorily Convertible Single Reset Preferred Stock and all other Class Voting Stock for the election of the directors to be elected by them pursuant to Subsection 7(2)(a); provided that the Secretary shall not be required to call such special meeting if the request for such meeting is received less than 45 calendar days before the date fixed for the next ensuing annual meeting of shareholders. Such call shall be made by notice similar to that provided in the bylaws of the Company for a special meeting of the shareholders or as required by law. Subject to the foregoing provisions, if any such special meeting required to be called as above provided shall not be called by the Secretary within 20 calendar days after receipt of an appropriate request, then any holder of shares of Series B Mandatorily Convertible Single Reset Preferred Stock may call such meeting, upon the notice above provided, and for that purpose shall have access to the stock books and records of the Company. Except as otherwise provided by law, at any such meeting, the holders of a majority of the number of shares of Series B Mandatorily Convertible Single Reset Preferred Stock and such other Class Voting Stock then outstanding shall constitute a quorum for the purpose of electing directors as contemplated in Subsection 7(2)(a). If at any such meeting or adjournment thereof, a quorum of such holders of Series B Mandatorily Convertible Single Reset Preferred Stock and, if applicable, such other Class Voting Stock shall not be present, no election of directors by the Series B Mandatorily Convertible Single Reset Preferred Stock and, if applicable, such other Class Voting Stock shall take place, and any such meeting may be adjourned from time to time for periods not exceeding 30 calendar days until a quorum of the Series B Mandatorily Convertible Single Reset Preferred Stock and, if applicable, the Class Voting Stock is present at such adjourned meeting. Unless otherwise provided by law or the Company's Restated Certificate of Incorporation, directors to be elected by the holders of shares of Series B Mandatorily Convertible Single Reset Preferred Stock and, if applicable, such other Class Voting Stock shall be elected by a plurality of the votes cast by such holders at a meeting at which a quorum is present. Notwithstanding the foregoing, the absence of a quorum of the Series B Mandatorily Convertible Single Reset Preferred Stock and, if applicable, such other Class Voting Stock shall not prevent the voting of, including the election of, directors by the holders of Common Stock and other classes of capital stock at such meeting.

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(c) Any director who shall have been elected by holders of shares of Series B Mandatorily Convertible Single Reset Preferred Stock voting separately as a class, together, if applicable, with the holders of one or more other series of Class Voting Stock, or any director so elected as provided below, may be removed at any time during a class voting period, either for or without cause, by, and only by, the affirmative vote of the holders of a majority of the number of shares of Series B Mandatorily Convertible Single Reset Preferred Stock then outstanding, voting separately as a class, together, if applicable, with the holders of all other series of Class Voting Stock then outstanding, given at a special meeting of such shareholders called for such purpose, and any vacancy thereby created may be filled during such class voting period only by the holder of shares of Series B Mandatorily Convertible Single Reset Preferred Stock and, if applicable the other series, if any, of Class Voting Stock. In case any vacancy (other than as provided in the preceding sentence) shall occur among the directors elected by the holders of shares of the Series B Mandatorily Convertible Single Reset Preferred Stock (and, if applicable, such other Class Voting Stock), a successor shall be elected by the Board of Directors to serve until the next annual meeting of the shareholders or special meeting held in place thereof upon the nomination of the then remaining director elected by the holders of the Series B Mandatorily Convertible Single Reset Preferred Stock (and, if applicable, such other Class Voting Stock) or the successor of such remaining director.

(3) Holders of Series B Mandatorily Convertible Single Reset Preferred Stock shall not be entitled to receive notice of any meeting of shareholders at which they are not entitled to vote or consent except as otherwise provided by applicable law.

Section 8. Other Rights. Shares of Series B Mandatorily Convertible Single Reset Preferred Stock shall not have any relative, participating, optional or other special rights or powers other than as set forth herein, in the Company's Restated Certificate of Incorporation or as required by law.

Section 9. Notices. Subsequent to the Rate Reset Date, at any time while any shares of Series B Mandatorily Convertible Single Reset Preferred Stock are outstanding, (i) the Company shall declare a dividend (or any other distribution) on its Common Stock, excluding any cash dividends, (ii) the Company shall authorize the issuance to all holders of its Common Stock of rights or warrants to subscribe for or purchase shares of Common Stock or of securities exercisable for, convertible into, or exchangeable for, shares of Common Stock or (iii) the Company shall authorize any reclassification of its Common Stock (other than a subdivision or combination thereof) or any consolidation or merger to which the Company is a party and for which approval of any stockholders of the Company is required (except for a merger of the Company into one of its subsidiaries solely for the purpose of changing the corporate name or corporate domicile of the

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Company to another state of the United States and in connection with which there is no substantive change in the rights or privileges of any securities of the Company other than changes resulting from differences in the corporate statutes of the then existing and the new state of domicile), or the sale or transfer to another corporation of the property of the Company as an entirety or substantially as an entirety, then the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of the Series B Mandatorily Convertible Single Reset Preferred Stock, and shall cause to be mailed to the holders of Series B Mandatorily Convertible Single Reset Preferred Stock at their last addresses as they shall appear on the stock register, at least 10 days before the date hereinafter specified (or the earlier of the dates hereinafter specified, in the event that more than one date is specified), a notice stating (A) the date on which a record is to be taken for the purpose of such dividend, distribution, rights or warrants, or, if a record is not to be taken the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution, rights or warrants are to be determined, or (B) the date on which any such reclassification, consolidation, merger, sale or transfer is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their Common Stock for securities or other property (including cash), if any, deliverable upon such reclassification, consolidation, merger, sale or transfer. The failure to give or receive the notice required hereby or any defect therein shall not affect the legality or validity of such dividend, distribution, right or warrant or other action.

ARTICLE 5. BY-LAWS

The Board of Directors shall have the power to adopt, amend or repeal the By-laws of this corporation, subject to the power of the stockholders to amend or repeal such By-laws. The stockholders having voting power shall also have the power to adopt, amend or repeal the By-laws of this corporation.

ARTICLE 6. ELECTION OF DIRECTORS

Except as may be otherwise required by the By-laws, written ballots are not required in the election of Directors.

ARTICLE 7. PREEMPTIVE RIGHTS

Preemptive rights shall not exist with respect to shares of stock or securities convertible into shares of stock of this corporation.

ARTICLE 8. CUMULATIVE VOTING

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The right to cumulate votes in the election of Directors shall not exist with respect to shares of stock of this corporation.

ARTICLE 9. AMENDMENTS TO RESTATED CERTIFICATE OF INCORPORATION

This corporation reserves the right to amend or repeal any of the provisions contained in this Restated Certificate of Incorporation in any manner now or hereafter permitted by law, and the rights of the stockholders of this corporation are granted subject to this reservation.

ARTICLE 10. LIMITATION OF DIRECTOR LIABILITY

To the full extent that the General Corporation Law of the State of Delaware, as it exists on the date hereof or may hereafter be amended, permits the limitation or elimination of the liability of Directors, a Director of this corporation shall not be liable to this corporation or its stockholders for monetary damages for breach of fiduciary duty as a Director. Any amendment to or repeal of this Article 10 shall not adversely affect any right or protection of a Director of this corporation for or with respect to any acts or omissions of such Director occurring prior to such amendment or repeal.

ARTICLE 11. ACTION BY STOCKHOLDERS WITHOUT A MEETING

Any action by the stockholders of this corporation shall be taken at a meeting of stockholders and no action may be taken by written consent of stockholders entitled to vote on such action.

ARTICLE 12. SPECIAL VOTING REQUIREMENTS

In addition to any affirmative vote required by law, by this Restated Certificate of Incorporation, by any agreement with any national securities exchange, or as may be otherwise required, any "Business Combination" (as hereinafter defined) involving this corporation shall be subject to approval in the manner set forth in this Article 12.

12.1 Definitions.

For the purposes of this Article 12:

(a) "Affiliate" and "beneficial owner" are used herein as defined in Rule 12b-2 and Rule 13d-3, respectively, under the Securities Exchange Act of 1934 as in effect on January 1, 1992 (the"1934 Act"). The term "Affiliate" as used herein shall exclude this corporation, but shall include the definition of "Associate" as contained in said Rule 12b-2.

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(b) An "Interested Stockholder" is a person other than (i) the corporation or (ii) Burlington Resources Inc., a Delaware corporation ("BRI"), as long as BRI continues to own at least a majority of the stock of this corporation entitled to vote for the election of Directors ("Voting Stock") and there has been no Change in Control of BRI since January 1, 1992, who is (A) the beneficial owner of ten percent or more of the Voting Stock or (B) an Affiliate of this corporation which (1) at any time within a two-year period prior to the record date for the vote on a Business Combination was the beneficial owner of ten percent or more of the Voting Stock, or (2) at the completion of the Business Combination will be the beneficial owner of ten percent or more of the Voting Stock.

(c) A "Person" is a natural person or a legal entity of any kind, together with any Affiliate of such person or entity, or any person or entity with whom such person, entity or any Affiliate has any agreement or understanding relating to acquiring, voting or holding Voting Stock.

(d) A "Disinterested Director" is a member of the Board of Directors of this corporation (other than the Interested Stockholder) who was a Director prior to the time the Interested Stockholder became an Interested Stockholder, or any Director who was recommended for election by the Disinterested Directors. Any action to be taken by the Disinterested Directors shall require the affirmative vote of at least two-thirds of the Disinterested Directors.

(e) A "Business Combination" is (i) a merger or consolidation of this corporation or any of its subsidiaries with an Interested Stockholder; (ii) the sale, lease, exchange, pledge, transfer or other disposition (A) by this corporation or any of its subsidiaries of all or a Substantial Part of the corporation's Assets to an Interested Stockholder, or (B) by an Interested Stockholder of any of its assets, except in the ordinary course of business, to this corporation or any of its subsidiaries; (iii) the issuance of stock or other securities of this corporation or any of its subsidiaries to an Interested Stockholder, other than on a pro rata basis to all holders of Voting Stock of the same class held by the Interested Stockholder pursuant to a stock spilt, stock dividend or distribution of warrants or rights; (iv) the adoption of any plan or proposal for the liquidation or dissolution of this corporation proposed by or on behalf of an Interested Stockholder; (v) any reclassification of securities, recapitalization, merger or consolidation or other transaction which has the effect, directly or indirectly, of increasing the proportionate share of any Voting Stock beneficially owned by an Interested Stockholder; or (vi) any agreement, contract or other arrangement providing for any of the foregoing transactions.

(f) A "Substantial Part of the corporation's Assets" shall mean assets of

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this corporation or any of its subsidiaries in an amount equal to twenty percent or more of the fair market value, as determined by the Disinterested Directors, of the total consolidated assets of this corporation and its subsidiaries taken as a whole as of the end of its most recent fiscal year ended prior to the time the determination is made.

(g) A "Change in Control" shall be deemed to occur (i) if any Person is or becomes the "beneficial owner" (as defined in Rule 13d-3 of the 1934 Act), directly or indirectly, of securities of BRI representing twenty percent or more of the stock of BRI entitled to vote for Directors of BRI, (ii) upon the first purchase of BRI's common stock pursuant to a tender or exchange offer (other than a tender or exchange offer made by BRI), (iii) upon the approval by BRI's stockholders of a merger or consolidation, a sale or disposition of all or substantially all of BRI's assets or a plan of liquidation or dissolution of BRI, or (iv) if, during any period of two consecutive years, individuals who at the beginning of such period constitute the BRI Board of Directors cease for any reason to constitute at least a majority thereof, unless the election or nomination of the election by BRI's stockholders of each new Director was approved by a vote of at least two-thirds of the Directors then still in office who were Directors at the beginning of the period.

12.2 Vote Required for Business Combinations.

The affirmative vote of not less than fifty-one percent of the Voting Stock, excluding the Voting Stock of an Interested Stockholder who is a party to the Business Combination, shall be required for the adoption or authorization of a Business Combination, unless the Disinterested Directors determine that:

(a) The Interested Stockholder is the beneficial owner of not less than eighty percent of the Voting Stock and has declared its intention to vote in favor of or to approve such Business Combination; or

(b) (i) The fair market value of the consideration per share to be received or retained by the holders of each class or series of stock of this corporation in a Business Combination is equal to or greater than the consideration per share (including brokerage commissions and soliciting dealer's fees) paid by such Interested Stockholder in acquiring the largest number of shares of such class of stock previously acquired in any one transaction or series of related transactions, whether before or after the Interested Stockholder became an Interested Stockholder and (ii) the Interested Stockholder shall not have received the benefit, directly or indirectly (except proportionately as a stockholder), of any loans, advances, guarantees, pledges or other financial assistance provided by this corporation, whether in anticipation of or in connection with such Business Combination or otherwise.

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12.3 Information Requirements.

In the event any vote of holders of Voting Stock is required for the adoption or approval of any Business Combination, a proxy or information statement describing the Business Combination and complying with the requirements of the 1934 Act shall be mailed at a date determined by the Disinterested Directors to all stockholders of this corporation whether or not such statement is required under the 1934 Act. The statement shall contain any recommendations as to the advisability of the Business Combination which the Disinterested Directors, or any of them, may choose to state and, if deemed advisable by the Disinterested Directors, an opinion of an investment banking firm as to the fairness of the terms of such Business Combination. Such firm shall be selected by the Disinterested Directors and be paid a fee for its services by this corporation as approved by the Disinterested Directors.

12.4 Amendment.

No amendment to this Restated Certificate of Incorporation shall amend, alter, change or repeal any of the provisions of Article 11 or of this Article 12 unless such amendment shall receive the affirmative vote of not less than fifty-one percent of the Voting Stock, excluding the Voting Stock of any Interested Stockholder as defined in Section 12.1 of this Article 12.

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IN WITNESS WHEREOF, this Restated Certificate of Incorporation has been executed by El Paso Corporation this 7th day of February 2001.

El Paso Corporation

By: Margaret E. Roark
Margaret E. Roark
Assistant Secretary

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State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"BEAR CREEK CAPITAL CORPORATION", A DELAWARE CORPORATION,

WITH AND INTO "TENNESSEE GAS PIPELINE COMPANY" UNDER THE NAME OF "TENNESSEE GAS PIPELINE COMPANY", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE THIRTEENTH DAY OF DECEMBER, A.D. 2000, AT 5:39 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Edward J. Freel, Secretary of State

0414109 8100M

AUTHENTICATION: 0857029

001626894

DATE: 12-15-00

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STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 05:39 PM 12/13/2000
001626894 - 0414109

CERTIFICATE OF OWNERSHIP AND MERGER

merging

BEAR CREEK CAPITAL CORPORATION

into

TENNESSEE GAS PIPELINE COMPANY

Pursuant to Section 253 of the General Corporation Law of the State of Delaware.

Tennessee Gas Pipeline Company, a Delaware corporation (the "Company"), for the purpose of merging Bear Creek Capital Corporation, a Delaware corporation (the "Subsidiary") with and into the Company, does hereby certify as follows:

FIRST: That the name and state of incorporation of each constituent corporation of the merger is as follows:

Name	State of Incorporation
Bear Creek Capital Corporation	Delaware
Tennessee Gas Pipeline Company	Delaware

SECOND: That the Company owns all of the outstanding shares of each class of the capital stock of the Subsidiary.

THIRD: Attached hereto as Exhibit A is a true and correct copy of the resolutions adopted by the Company's Board of Directors dated as of the 12th day of December 2000, pursuant to which the Company determined to merge into itself the Subsidiary on the conditions set forth in such resolutions.

FOURTH: That this Certificate of Ownership and Merger and the mergers contemplated hereby shall be effective at the time of filing with the Delaware Secretary of State.

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IN WITNESS WHEREOF, said Tennessee Gas Pipeline Company, has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

TENNESSEE GAS PIPELINE COMPANY

By: _____
David L. Siddall
Vice President

EXHIBIT A

WHEREAS, this Company is the owner of all of the issued and outstanding shares of common stock of Bear Creek Capital Corporation, a Delaware corporation (the "Subsidiary");

WHEREAS, this Company desires to merge the Subsidiary with and into itself and to possess all of the estate, property, rights, privileges and franchises of the Subsidiary; and

WHEREAS, the Board of Directors of this Company believes it is in the best interest of this Company to merge the Subsidiary with and into itself;

NOW, THEREFORE, BE IT RESOLVED that this Company merge the Subsidiary with and into itself, that the separate existence of the Subsidiary cease at the Effective Time (hereafter defined), and that this Company, as the surviving Company of the merger pursuant to Section 253 of the General Corporation Law of the State of Delaware (the "DGCL"), continue to exist by virtue of and be governed by the laws of the State of Delaware (such actions, collectively, being called the "Merger").

RESOLVED that the Merger be, and hereby is, approved.

RESOLVED that the Merger shall be effective as of the time of filing with the Delaware Secretary of State (such date and time being referred to herein as the "Effective Time").

RESOLVED that, at the Effective Time, this Company, without further action, as provided by the laws of the State of Delaware, succeed to and possess all the rights, privileges, powers, and franchises, of a public as well as of a private nature, of the Subsidiary; and all property, real, personal and mixed, and all debts due on whatsoever account, including subscriptions to shares, and all other choses in action, and all and every other interest, of or belonging to or due to the Subsidiary shall be vested in this Company without further act or deed; and all property, rights, privileges, powers and franchises, and all and every other interest shall thereafter be as effectively the property of this Company as they were of the Subsidiary; and the title to any real estate, or any interest therein, vested in this Company or the Subsidiary by deed or otherwise shall not revert or be in any way impaired by reason of the Merger. This Company shall thereafter be responsible and liable for all debts, liabilities, and duties of the Subsidiary, which may be enforced against this Company to the same extent as if those debts, liabilities, and duties had been incurred or contracted by this Company. Neither the rights of creditors nor any liens upon the property of the Subsidiary or this Company shall be impaired by the Merger.

RESOLVED that, at the Effective Time, each share of common stock of the Subsidiary be cancelled.

RESOLVED that any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Ownership and Merger setting forth, among other things, a copy of these resolutions and the date of their adoption; and that each such officer is hereby authorized and directed to cause the executed Certificate of Ownership and Merger to be filed in the Office of the Secretary of State of the State of Delaware and to cause certified copies of that Certificate to be recorded in the Offices of the Recorder of Deeds of the appropriate counties, all in accordance with Sections 103 and 253 of the DGCL.

RESOLVED that the proper officers be, and each of them hereby is, authorized and empowered, in the name and on behalf of this Company, or any Subsidiary of this Company, to do and perform, or cause to be done and performed, all such acts, deeds and things, to make, execute, and deliver, or cause to be made, executed, and delivered, all such agreements, guaranties, notes, evidences of borrowings, undertakings, documents, instruments and certificates as each such officer may deem necessary or appropriate to effectuate and carry out fully the purpose and intent of the foregoing resolutions.

RESOLVED that at any time prior to the Effective Time, the Board of Directors of this Company may terminate the Merger and if, at the time of such termination, a Certificate of Ownership and Merger has been filed with the Secretary of State of the State of Delaware, any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Termination.

RESOLVED that any and all actions heretofore taken by any officer of this Company, or any Subsidiary of this Company, in connection with the foregoing resolutions be, and hereby are, ratified and approved.

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"EPEC EIS COMPANY", A DELAWARE CORPORATION,

"EPEC OGS INC.", A DELAWARE CORPORATION,

"LAND VENTURES INC.", A DELAWARE CORPORATION,

"TENNESSEE GAS TRANSMISSION COMPANY", A DELAWARE CORPORATION,

WITH AND INTO "TENNESSEE GAS PIPELINE COMPANY" UNDER THE NAME OF "TENNESSEE GAS PIPELINE COMPANY", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE THIRTEENTH DAY OF DECEMBER, A.D. 2000, AT 5:38 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Edward J. Freel, Secretary of State

0414109 8100M

AUTHENTICATION: 0856246

001626878

DATE: 12-14-00

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STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 05:38 PM 12/13/2000
001626878 - 0414109

CERTIFICATE OF OWNERSHIP AND MERGER

merging

EPEC EIS COMPANY

EPEC OGS INC.

LAND VENTURES INC.

and

TENNESSEE GAS TRANSMISSION COMPANY

all Delaware Corporations

into

TENNESSEE GAS PIPELINE COMPANY

a Delaware corporation

Pursuant to Section 253 of the General Corporation Law of the State of Delaware.

Tennessee Gas Pipeline Company, a Delaware corporation (the "Company"), for the purpose of merging EPEC EIS Company, EPEC OGS Inc. Land Ventures Inc., and Tennessee Gas Transmission Company, each a Delaware corporation (the "Subsidiaries") with and into the Company, does hereby certify as follows:

FIRST: That the name and state of incorporation of each constituent corporation of the merger is as follows:

Name	State of Incorporation
Tennessee Gas Pipeline Company	Delaware
EPEC EIS Company	Delaware
EPEC OGS Inc.	Delaware
Land Ventures Inc.	Delaware
Tennessee Gas Transmission Company	Delaware

SECOND: That the Company owns all of the outstanding shares of each class of the capital stock of the Subsidiaries.

THIRD: Attached hereto as Exhibit A is a true and correct copy of the resolutions adopted by the Company's Board of Directors dated as of the 12th day of December 2000, pursuant to which the Company determined to merge into itself the

Subsidiaries on the conditions set forth in such resolutions.

FOURTH: That this Certificate of Ownership and Merger and the mergers contemplated hereby shall be effective at the time of filing with the Delaware Secretary of State.

IN WITNESS WHEREOF, said Tennessee Gas Pipeline Company, has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

TENEESSEE GAS PIPELINE COMPANY

By: David L. Siddall

David L. Siddall
Vice President

EXHIBIT A

WHEREAS, this Company is the owner of all of the issued and outstanding shares of common stock of EPEC EIS Company, EPEC OGS Inc., Land Ventures Inc., and Tennessee Gas Transmission Company, each a Delaware corporation (the "Subsidiaries");

WHEREAS, this Company desires to merge the Subsidiaries with and into itself and to possess all of the estate, property, rights, privileges and franchises of the Subsidiaries; and

WHEREAS, the Board of Directors of this Company believes it is in the best interest of this Company to merge the Subsidiaries with and into itself;

NOW, THEREFORE, BE IT RESOLVED that this Company merge the Subsidiaries with and into itself, that the separate existence of the Subsidiaries cease at the Effective Time (hereafter defined), and that this Company, as the surviving Company of the merger pursuant to Section 253 of the General Corporation Law of the State of Delaware (the "DGCL"), continue to exist by virtue of and be governed by the laws of the State of Delaware (such actions, collectively, being called the "Merger").

RESOLVED that the Merger be, and hereby is, approved.

RESOLVED that the Merger shall be effective as of the time of filing with the Delaware Secretary of State (such date and time being referred to herein as the "Effective Time").

RESOLVED that, at the Effective Time, this Company, without further action, as provided by the laws of the State of Delaware, succeed to and possess all the rights, privileges, powers, and franchises, of a public as well as of a private nature, of the Subsidiaries; and all property, real, personal and mixed, and all debts due on whatsoever account, including subscriptions to shares, and all other choses in action, and all and every other interest, of or belonging to or due to the Subsidiaries shall be vested in this Company without further act or deed; and all property, rights, privileges, powers and franchises, and all and every other interest shall thereafter be as effectively the property of this Company as they were of the Subsidiaries; and the title to any real estate, or any interest therein, vested in this Company or the Subsidiaries by deed or otherwise shall not revert or be in any way impaired by reason of the Merger. This Company shall thereafter be responsible and liable for all debts, liabilities, and duties of the Subsidiaries, which may be enforced against this Company to the same extent as if those debts, liabilities, and duties had been incurred or contracted by this Company. Neither the rights of creditors nor any liens upon the property of the Subsidiaries or this Company shall be impaired by the Merger.

RESOLVED that, at the Effective Time, each share of common stock of the Subsidiaries be cancelled.

RESOLVED that any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Ownership and Merger setting forth, among other things, a copy of these resolutions and the date of their adoption; and that each such officer is hereby authorized and directed to cause the executed Certificate of Ownership and Merger to be filed in the Office of the Secretary of State of the State of Delaware and to cause certified copies of that Certificate to be recorded in the Offices of the Recorder of Deeds of the appropriate counties, all in accordance with Sections 103 and 253 of the DGCL.

RESOLVED that the proper officers be, and each of them hereby is, authorized and empowered, in the name and on behalf of this Company, or any Subsidiaries of this Company, to do and perform, or cause to be done and performed, all such acts, deeds and things, to make, execute, and deliver, or cause to be made, executed, and delivered, all such agreements, guaranties, notes, evidences of borrowings, undertakings, documents, instruments and certificates as each such officer may deem necessary or appropriate to effectuate and carry out fully the purpose and intent of the foregoing resolutions.

RESOLVED that at any time prior to the Effective Time, the Board of Directors of this Company may terminate the Merger and if, at the time of such termination, a Certificate of Ownership and Merger has been filed with the Secretary of State of the State of Delaware, any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Termination.

RESOLVED that any and all actions heretofore taken by any officer of this Company, or any Subsidiaries of this Company, in connection with the foregoing resolutions be, and hereby are, ratified and approved.

CERTIFICATE OF OWNERSHIP AND MERGER

merging

EPEC EIS COMPANY

EPEC OGS, INC.

LAND VENTURES, INC.

and

TENNESSEE GAS TRANSMISSION COMPANY

all Delaware Corporations

into

TENNESSEE GAS PIPELINE COMPANY

a Delaware corporation

Pursuant to Section 253 of the General Corporation Law of the State of Delaware.

Tennessee Gas Pipeline Company, a Delaware corporation (the "Company"), for the purpose of merging EPEC EIS Company, EPEC OGS, Inc. Land Ventures, Inc., and Tennessee Gas Transmission Company, each a Delaware corporation (the "Subsidiaries") with and into the Company, does hereby certify as follows:

FIRST: That the name and state of incorporation of each constituent corporation of the merger is as follows:

Name	State of Incorporation
Tennessee Gas Pipeline Company	Delaware
EPEC EIS Company	Delaware
EPEC OGS, Inc.	Delaware
Land Ventures, Inc.	Delaware
Tennessee Gas Transmission Company	Delaware

SECOND: That the Company owns all of the outstanding shares of each class of the capital stock of the Subsidiaries.

THIRD: Attached hereto as Exhibit A is a true and correct copy of the resolutions adopted by the Company's Board of Directors dated as of the 12th day of December 2000, pursuant to which the Company determined to merge into itself the

Subsidiaries on the conditions set forth in such resolutions.

FOURTH: That this Certificate of Ownership and Merger and the mergers contemplated hereby shall be effective at the time of filing with the Delaware Secretary of State.

IN WITNESS WHEREOF, said Tennessee Gas Pipeline Company, has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

TENEESSEE GAS PIPELINE COMPANY

By: _____
David L. Siddall
Vice President

847670235

EXHIBIT A

WHEREAS, this Company is the owner of all of the issued and outstanding shares of common stock of EPEC EIS Company, EPEC OGS, Inc., Land Ventures, Inc., and Tennessee Gas Transmission Company, each a Delaware corporation (the "Subsidiaries");

WHEREAS, this Company desires to merge the Subsidiaries with and into itself and to possess all of the estate, property, rights, privileges and franchises of the Subsidiaries; and

WHEREAS, the Board of Directors of this Company believes it is in the best interest of this Company to merge the Subsidiaries with and into itself;

NOW, THEREFORE, BE IT RESOLVED that this Company merge the Subsidiaries with and into itself, that the separate existence of the Subsidiaries cease at the Effective Time (hereafter defined), and that this Company, as the surviving Company of the merger pursuant to Section 253 of the General Corporation Law of the State of Delaware (the "DGCL"), continue to exist by virtue of and be governed by the laws of the State of Delaware (such actions, collectively, being called the "Merger").

RESOLVED that the Merger be, and hereby is, approved.

RESOLVED that the Merger shall be effective as of the time of filing with the Delaware Secretary of State (such date and time being referred to herein as the "Effective Time").

RESOLVED that, at the Effective Time, this Company, without further action, as provided by the laws of the State of Delaware, succeed to and possess all the rights, privileges, powers, and franchises, of a public as well as of a private nature, of the Subsidiaries; and all property, real, personal and mixed, and all debts due on whatsoever account, including subscriptions to shares, and all other choses in action, and all and every other interest, of or belonging to or due to the Subsidiaries shall be vested in this Company without further act or deed; and all property, rights, privileges, powers and franchises, and all and every other interest shall thereafter be as effectively the property of this Company as they were of the Subsidiaries; and the title to any real estate, or any interest therein, vested in this Company or the Subsidiaries by deed or otherwise shall not revert or be in any way impaired by reason of the Merger. This Company shall thereafter be responsible and liable for all debts, liabilities, and duties of the Subsidiaries, which may be enforced against this Company to the same extent as if those debts, liabilities, and duties had been incurred or contracted by this Company. Neither the rights of creditors nor any liens upon the property of the Subsidiaries or this Company shall be impaired by the Merger.

RESOLVED that, at the Effective Time, each share of common stock of the Subsidiaries be cancelled.

RESOLVED that any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Ownership and Merger setting forth, among other things, a copy of these resolutions and the date of their adoption; and that each such officer is hereby authorized and directed to cause the executed Certificate of Ownership and Merger to be filed in the Office of the Secretary of State of the State of Delaware and to cause certified copies of that Certificate to be recorded in the Offices of the Recorder of Deeds of the appropriate counties, all in accordance with Sections 103 and 253 of the DGCL.

RESOLVED that the proper officers be, and each of them hereby is, authorized and empowered, in the name and on behalf of this Company, or any Subsidiaries of this Company, to do and perform, or cause to be done and performed, all such acts, deeds and things, to make, execute, and deliver, or cause to be made, executed, and delivered, all such agreements, guaranties, notes, evidences of borrowings, undertakings, documents, instruments and certificates as each such officer may deem necessary or appropriate to effectuate and carry out fully the purpose and intent of the foregoing resolutions.

RESOLVED that at any time prior to the Effective Time, the Board of Directors of this Company may terminate the Merger and if, at the time of such termination, a Certificate of Ownership and Merger has been filed with the Secretary of State of the State of Delaware, any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Termination.

RESOLVED that any and all actions heretofore taken by any officer of this Company, or any Subsidiaries of this Company, in connection with the foregoing resolutions be, and hereby are, ratified and approved.

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"EPEC MINERALS COMPANY - CALIFORNIA", A DELAWARE CORPORATION,

WITH AND INTO "EPEC POLYMERS, INC." UNDER THE NAME OF "EPEC POLYMERS, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE THIRTEENTH DAY OF DECEMBER, A.D. 2000, AT 5:34 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Edward J. Freel, Secretary of State

0949234 8100M

001626840

AUTHENTICATION: 0856186

DATE: 12-14-00

847670238

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 05:34 PM 12/13/2000
001626840 - 0949234

CERTIFICATE OF MERGER

of

EPEC MINERALS COMPANY-CALIFORNIA,

a Delaware corporation

into

EPEC POLYMERS, INC.,

a Delaware corporation

The undersigned corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger are as follows:

Name	State of Incorporation:
EPEC Polymers, Inc.	Delaware
EPEC Minerals Company-California	Delaware

SECOND: That an Agreement and Plan of Merger among the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations and their respective members in accordance with the requirements of subsection (c) of Section 251 of the General Corporation Law of the State of Delaware.

THIRD: That the name of the surviving corporation is EPEC Polymers, Inc.

FOURTH: That the existing certificate of incorporation of EPEC Polymers, Inc., shall be the certificate of incorporation of the surviving corporation.

FIFTH: That the executed Agreement and Plan of Merger is on file at the principal place of business of the surviving corporation. The address of the principal place of business of the surviving corporation is 1001 Louisiana, Houston, Texas 77002.

SIXTH: That a copy of the Agreement and Plan of Merger will be furnished by the surviving corporation, on request and without cost, to any member of any constituent corporation.

SEVENTH: That this Certificate of Merger shall be effective at the time of its filing with the Office of the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, said EPEC Polymers, Inc., has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

EPEC POLYMERS, INC.

By: David Siddall
Name: David L. Siddall
Title: Vice President

CERTIFICATE OF MERGER

of

EPEC MINERALS COMPANY-CALIFORNIA,

a Delaware corporation

into

EPEC POLYMERS, INC.,

a Delaware corporation

The undersigned corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger are as follows:

Name	State of Incorporation:
EPEC Polymers, Inc.	Delaware
EPEC Minerals Company-California	Delaware

SECOND: That an Agreement and Plan of Merger among the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations and their respective members in accordance with the requirements of subsection (c) of Section 251 of the General Corporation Law of the State of Delaware.

THIRD: That the name of the surviving corporation is EPEC Polymers, Inc.

FOURTH: That the existing certificate of incorporation of EPEC Polymers, Inc., shall be the certificate of incorporation of the surviving corporation.

FIFTH: That the executed Agreement and Plan of Merger is on file at the principal place of business of the surviving corporation. The address of the principal place of business of the surviving corporation is 1001 Louisiana, Houston, Texas 77002.

SIXTH: That a copy of the Agreement and Plan of Merger will be furnished by the surviving corporation, on request and without cost, to any member of any constituent corporation.

SEVENTH: That this Certificate of Merger shall be effective at the time of its filing with the Office of the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, said EPEC Polymers, Inc., has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

EPEC POLYMERS, INC.

By: _____
Name: David L. Siddall
Title: Vice President

847670242

AGREEMENT OF MERGER

BETWEEN

EPEC MINERALS COMPANY-CALIFORNIA
a Delaware corporation

AND

EPEC POLYMERS, INC.
a Delaware corporation

AGREEMENT OF MERGER, made this 12th day of December, 2000 (the "Agreement"), by and between EPEC Minerals Company-California, a Delaware corporation ("EPEC Minerals-California"), and EPEC Polymers, Inc., a Delaware corporation, ("EPEC Polymers")

W I T N E S E T H:

WHEREAS, EPEC Polymers desires to acquire the property and other assets, and to assume all of the liabilities and obligations of EPEC Minerals-California by means of a merger (the "Merger") of EPEC Minerals-California with and into EPEC Polymers;

WHEREAS, Section 251 of the General Corporation Law of the State of Delaware (the "DGCL") authorizes the merger of a Delaware corporation with and into another Delaware corporation;

WHEREAS, EPEC Minerals-California and EPEC Polymers now desire to consummate the Merger, following which EPEC Polymers shall be the surviving corporation (sometimes hereinafter in such capacity, the "Surviving Corporation");

WHEREAS, each of (i) the Board of Directors of EPEC Minerals-California, and (ii) the Board of Directors of EPEC Polymers, has approved this Agreement and the consummation of the Merger;

WHEREAS, each of the (i) the Board of Directors of EPEC Minerals-California and (ii) the Board of Directors of EPEC Polymers has directed that this Agreement be submitted to its shareholders for approval;

847670243

NOW, THEREFORE, in consideration of the premises and the mutual agreements and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Article I: The Merger

Section 1.01 - The Merger

(a) Pursuant to the terms of this Agreement, EPEC Minerals-California shall merge with and into EPEC Polymers. The Merger will take effect upon filing with the Delaware Secretary of State (the "Effective Time").

(b) At the Effective Time, EPEC Minerals-California shall be merged with and into EPEC Polymers, whereupon the separate existence of EPEC Minerals-California shall cease, and EPEC Polymers shall be the surviving corporation of the Merger in accordance with Section 251 of the DGCL.

(c) EPEC Polymers as the surviving corporation shall continue its existence as a corporation under the laws of the State of Delaware.

Article II: The Surviving Corporation

Section 2.01 - The Surviving Corporation

The name of the surviving corporation will be EPEC Polymers, Inc.

Section 2.02 - Certificate of Incorporation

The Certificate of Incorporation of EPEC Polymers in effect immediately prior to the Effective Time shall be the Certificate of Incorporation of the Surviving Corporation unless and until amended in accordance with such Certificate of Incorporation and applicable law.

Section 2.03 - Bylaws

The Bylaws of EPEC Polymers shall be the Bylaws of the Surviving Corporation at and following the Effective Time, unless and until amended or repealed in accordance with the Certificate of Incorporation of EPEC Polymers and applicable law.

847670244

Section 2.04 - Directors and Officers

The directors and officers of EPEC Polymers at the Effective Time shall be the directors and officers, respectively, of the Surviving Corporation on and after the Effective Time until expiration of their current terms and until their successors are elected and qualified, or prior resignation, removal or death, subject to the Certificate of Incorporation and Bylaws of the Surviving Corporation and subsequent actions by the shareholders and/or directors of the Surviving Corporation.

Article III: Transfer of Assets and Liabilities

Section 3.01 - Transfer and Conveyance

At the Effective Time, all of the rights, privileges and powers of EPEC Minerals-California and EPEC Polymers, and all property, real, personal and mixed, and all debts due to each of EPEC Minerals-California and EPEC Polymers, as well as all other things and causes of action belonging to each of EPEC Minerals-California and EPEC Polymers shall be vested in EPEC Polymers as the Surviving Corporation, and shall thereafter be the property of the Surviving Corporation.

Section 3.02 - Assumption

At the Effective Time, EPEC Polymers as the Surviving Corporation, shall be liable for all of the liabilities and obligations of EPEC Minerals-California in accordance with the Act and Section 251 of the DGCD.

Article IV:
Treatment of Shares of EPEC Polymers and Shares of EPEC Minerals-California

Section 4.01 - Conversion of Common Shares of EPEC Minerals-California

At the Effective Time, each share of Common Stock of EPEC Minerals-California outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, shall be cancelled.

Section 4.02 - Shares of EPEC Polymers Remaining Outstanding

At the Effective Time, each share of Common Stock of EPEC Polymers outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, shall remain outstanding.

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Article V: Amendment, Termination

Section 5.01 - Termination

This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, whether before or after approval by the shareholders of EPEC Polymers, by mutual written consent of the Board of Directors of EPEC Minerals-California and EPEC Polymers.

Section 5.02 - Effect of Termination

If this Agreement is terminated pursuant to Section 5.01, this Agreement shall become void and of no effect with no liability on the part of either party hereto.

Section 5.03 - Amendment

The parties hereto, by mutual consent of the Board of Directors of EPEC Polymers and the Board of Directors of EPEC Minerals-California, may amend, modify or supplement this Agreement in such manner as may be agreed upon by them in writing at any time before or after adoption and approval of this Agreement by the shareholders of EPEC Polymers and EPEC Minerals-California but not later than the Effective Time; provided, however that after approval of this Agreement by the shareholders of EPEC Polymers and EPEC Minerals-California no such amendment, modification, or supplement shall be made without the further approval of such shareholders except as permitted by Section 251(d) of the DGCL.

Article VI: Covenants of EPEC Minerals-California

Section 6.02 - Covenants of EPEC Minerals-California

If at any time EPEC Polymers shall consider or be advised that any further assignment, conveyance or assurance is necessary or advisable to vest, perfect or confirm of record in the Surviving Corporation the title to any property or right of EPEC Minerals-California, or otherwise to carry out the provisions hereof, the proper representatives of EPEC Minerals-California as of the Effective Time shall execute and deliver any and all proper deeds, assignments. and assurances and do all things necessary or proper to vest, perfect or convey title to such property or right in the Surviving Corporation, and otherwise to carry out the provisions hereof.

847670246

Section 6.03 - Authorization of EPEC Minerals-California

Upon or after the Effective Time, such persons as shall be authorized by the Board of Directors of EPEC Polymers shall be authorized to execute, acknowledge, verify, deliver, file and record, for and in the name of EPEC Minerals-California, any and all documents and instruments and shall do and perform any and all acts required by applicable law which the Board of Directors deems necessary or advisable, in order to effectuate the Merger and carry out the transactions contemplated hereby.

Article VII: Miscellaneous

Section 7.01 - No Waivers

No failure or delay by any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.02 - Integration

This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, written or oral, between and among the parties with respect to the subject matter hereof.

Section 7.03 - Successors and Assigns

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that no party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto.

Section 7.04 - GOVERNING LAW

THIS AGREEMENT SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF EPEC POLYMERS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

Section 7.05 - Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement, and when executed shall be binding on the parties hereto.

Section 7.06 - Entire Agreement

The parties acknowledge that there are no written agreements, contracts, covenants, promises, representations, warranties, inducements or understandings among them, with respect to the subjects hereof, except the Merger Agreement, the other agreements and letters referred to as surviving the effectiveness of the Merger under the Merger Agreement and the related agreements and the exhibits thereto.

Section 7.07 - Severability. In the event that one or more of the provisions of this Agreement shall be invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

EPEC POLYMERS, INC.,
a Delaware corporation

By: _____
Name: David L. Siddall
Title: Vice President

EPEC MINERAL COMPANY-CALIFORNIA,
a Delaware corporation

By: _____
Name: David L. Siddall
Title: Vice President

847670248

I, Margaret E. Roark, Assistant Secretary of EPEC Polymers, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certify pursuant to the provisions of Section 251 of the Delaware General Corporation Law (the "DGCL"), that El Paso Energy Corporation, the sole shareholder of the Corporation, pursuant to the provisions of Section 228 of the DGCL, has consented to the merger of EPEC Minerals Company-California, a Delaware corporation, with and into the Corporation, on the terms and conditions set forth in the Agreement of Merger to which this certification is appended.

IN WITNESS WHEREOF, I have subscribed my name and affixed the seal of El Paso Energy Corporation, this 12th day of December 2000.

[Seal]

By: Margaret E. Roark
Name: Margaret E. Roark
Title: Assistant Secretary

847670249

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"EPEC MINERALS COMPANY - NEVADA", A DELAWARE CORPORATION,

WITH AND INTO "EPEC POLYMERS, INC." UNDER THE NAME OF "EPEC POLYMERS, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE THIRTEENTH DAY OF DECEMBER, A.D. 2000, AT 5:33 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Edward J. Freel, Secretary of State

0949234 8100M

AUTHENTICATION: 0856173

001626836

DATE: 12-14-00

847670250

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 05:33 PM 12/13/2000
001626836 - 0949234

CERTIFICATE OF MERGER

of

EPEC MINERALS COMPANY-NEVADA,

a Delaware corporation

into

EPEC POLYMERS, INC.,

a Delaware corporation

The undersigned corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger are as follows:

Name	State of Incorporation:
EPEC Polymers, Inc.	Delaware
EPEC Minerals Company-Nevada	Delaware

SECOND: That an Agreement and Plan of Merger among the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations and their respective members in accordance with the requirements of subsection (c) of Section 251 of the General Corporation Law of the State of Delaware.

THIRD: That the name of the surviving corporation is EPEC Polymers, Inc.

FOURTH: That the existing certificate of incorporation of EPEC Polymers, Inc., shall be the certificate of incorporation of the surviving corporation.

FIFTH: That the executed Agreement and Plan of Merger is on file at the principal place of business of the surviving corporation. The address of the principal place of business of the surviving corporation is 1001 Louisiana, Houston, Texas 77002.

SIXTH: That a copy of the Agreement and Plan of Merger will be furnished by the surviving corporation, on request and without cost, to any member of any constituent corporation.

SEVENTH: That this Certificate of Merger shall be effective at the time of its filing with the Office of the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, said EPEC Polymers, Inc., has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

EPEC POLYMERS, INC.

By:
Name: David L. Siddall
Title: Vice President

CERTIFICATE OF MERGER

of

EPEC MINERALS COMPANY-NEVADA,

a Delaware corporation

into

EPEC POLYMERS, INC.,

a Delaware corporation

The undersigned corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger are as follows:

Name	State of Incorporation:
EPEC Polymers, Inc.	Delaware
EPEC Minerals Company-Nevada	Delaware

SECOND: That an Agreement and Plan of Merger among the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations and their respective members in accordance with the requirements of subsection (c) of Section 251 of the General Corporation Law of the State of Delaware.

THIRD: That the name of the surviving corporation is EPEC Polymers, Inc.

FOURTH: That the existing certificate of incorporation of EPEC Polymers, Inc., shall be the certificate of incorporation of the surviving corporation.

FIFTH: That the executed Agreement and Plan of Merger is on file at the principal place of business of the surviving corporation. The address of the principal place of business of the surviving corporation is 1001 Louisiana, Houston, Texas 77002.

SIXTH: That a copy of the Agreement and Plan of Merger will be furnished by the surviving corporation, on request and without cost, to any member of any constituent corporation.

SEVENTH: That this Certificate of Merger shall be effective at the time of its filing with the Office of the Secretary of State of the State of Delaware.

847670253

IN WITNESS WHEREOF, said EPEC Polymers, Inc., has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

EPEC POLYMERS, INC.

By: _____
Name: David L. Siddall
Title: Vice President

847670254

AGREEMENT OF MERGER

BETWEEN

EPEC MINERALS COMPANY-NEVADA
a Delaware corporation

AND

EPEC POLYMERS, INC.
a Delaware corporation

AGREEMENT OF MERGER, made this 12th day of December, 2000 (the "Agreement"), by and between EPEC Minerals Company-Nevada, a Delaware corporation ("EPEC Minerals-Nevada"), and EPEC Polymers, Inc., a Delaware corporation, ("EPEC Polymers")

W I T N E S E T H:

WHEREAS, EPEC Polymers desires to acquire the property and other assets, and to assume all of the liabilities and obligations of EPEC Minerals-Nevada by means of a merger (the "Merger") of EPEC Minerals-Nevada with and into EPEC Polymers;

WHEREAS, Section 251 of the General Corporation Law of the State of Delaware (the "DGCL") authorizes the merger of a Delaware corporation with and into another Delaware corporation;

WHEREAS, EPEC Minerals-Nevada and EPEC Polymers now desire to consummate the Merger, following which EPEC Polymers shall be the surviving corporation (sometimes hereinafter in such capacity, the "Surviving Corporation");

WHEREAS, each of (i) the Board of Directors of EPEC Minerals-Nevada, and (ii) the Board of Directors of EPEC Polymers, has approved this Agreement and the consummation of the Merger;

WHEREAS, each of the (i) the Board of Directors of EPEC Minerals-Nevada and (ii) the Board of Directors of EPEC Polymers has directed that this Agreement be submitted to its shareholders for approval;

847670255

NOW, THEREFORE, in consideration of the premises and the mutual agreements and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Article I: The Merger

Section 1.01 - The Merger

(a) Pursuant to the terms of this Agreement, EPEC Minerals-Nevada shall merge with and into EPEC Polymers. The Merger will take effect upon filing with the Delaware Secretary of State (the "Effective Time").

(b) At the Effective Time, EPEC Minerals-Nevada shall be merged with and into EPEC Polymers, whereupon the separate existence of EPEC Minerals-Nevada shall cease, and EPEC Polymers shall be the surviving corporation of the Merger in accordance with Section 251 of the DGCL.

(c) EPEC Polymers as the surviving corporation shall continue its existence as a corporation under the laws of the State of Delaware.

Article II: The Surviving Corporation

Section 2.01 - The Surviving Corporation

The name of the surviving corporation will be EPEC Polymers, Inc.

Section 2.02 - Certificate of Incorporation

The Certificate of Incorporation of EPEC Polymers in effect immediately prior to the Effective Time shall be the Certificate of Incorporation of the Surviving Corporation unless and until amended in accordance with such Certificate of Incorporation and applicable law.

Section 2.03 - Bylaws

The Bylaws of EPEC Polymers shall be the Bylaws of the Surviving Corporation at and following the Effective Time, unless and until amended or repealed in accordance with the Certificate of Incorporation of EPEC Polymers and applicable law.

847670256

Section 2.04 - Directors and Officers

The directors and officers of EPEC Polymers at the Effective Time shall be the directors and officers, respectively, of the Surviving Corporation on and after the Effective Time until expiration of their current terms and until their successors are elected and qualified, or prior resignation, removal or death, subject to the Certificate of Incorporation and Bylaws of the Surviving Corporation and subsequent actions by the shareholders and/or directors of the Surviving Corporation.

Article III: Transfer of Assets and Liabilities

Section 3.01 - Transfer and Conveyance

At the Effective Time, all of the rights, privileges and powers of EPEC Minerals-Nevada and EPEC Polymers, and all property, real, personal and mixed, and all debts due to each of EPEC Minerals-Nevada and EPEC Polymers, as well as all other things and causes of action belonging to each of EPEC Minerals-Nevada and EPEC Polymers shall be vested in EPEC Polymers as the Surviving Corporation, and shall thereafter be the property of the Surviving Corporation.

Section 3.02 - Assumption

At the Effective Time, EPEC Polymers as the Surviving Corporation, shall be liable for all of the liabilities and obligations of EPEC Minerals-Nevada in accordance with the Act and Section 251 of the DGCD.

Article IV:
Treatment of Shares of EPEC Polymers and Shares of EPEC Minerals-Nevada

Section 4.01 - Conversion of Common Shares of EPEC Minerals-Nevada

At the Effective Time, each share of Common Stock of EPEC Minerals-Nevada outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, shall be cancelled.

Section 4.02 - Shares of EPEC Polymers Remaining Outstanding

At the Effective Time, each share of Common Stock of EPEC Polymers outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, shall remain outstanding.

847670257

Article V: Amendment, Termination

Section 5.01 - Termination

This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, whether before or after approval by the shareholders of EPEC Polymers, by mutual written consent of the Board of Directors of EPEC Minerals-Nevada and EPEC Polymers.

Section 5.02 - Effect of Termination

If this Agreement is terminated pursuant to Section 5.01, this Agreement shall become void and of no effect with no liability on the part of either party hereto.

Section 5.03 - Amendment

The parties hereto, by mutual consent of the Board of Directors of EPEC Polymers and the Board of Directors of EPEC Minerals-Nevada, may amend, modify or supplement this Agreement in such manner as may be agreed upon by them in writing at any time before or after adoption and approval of this Agreement by the shareholders of EPEC Polymers and EPEC Minerals-Nevada but not later than the Effective Time; provided, however that after approval of this Agreement by the shareholders of EPEC Polymers and EPEC Minerals-Nevada no such amendment, modification, or supplement shall be made without the further approval of such shareholders except as permitted by Section 251(d) of the DGCL.

Article VI: Covenants of EPEC Minerals-Nevada

Section 6.02 - Covenants of EPEC Minerals-Nevada

If at any time EPEC Polymers shall consider or be advised that any further assignment, conveyance or assurance is necessary or advisable to vest, perfect or confirm of record in the Surviving Corporation the title to any property or right of EPEC Minerals-Nevada, or otherwise to carry out the provisions hereof, the proper representatives of EPEC Minerals-Nevada as of the Effective Time shall execute and deliver any and all proper deeds, assignments, and assurances and do all things necessary or proper to vest, perfect or convey title to such property or right in the Surviving Corporation, and otherwise to carry out the provisions hereof.

847670258

Section 6.03 - Authorization of EPEC Minerals-Nevada

Upon or after the Effective Time, such persons as shall be authorized by the Board of Directors of EPEC Polymers shall be authorized to execute, acknowledge, verify, deliver, file and record, for and in the name of EPEC Minerals-Nevada, any and all documents and instruments and shall do and perform any and all acts required by applicable law which the Board of Directors deems necessary or advisable, in order to effectuate the Merger and carry out the transactions contemplated hereby.

Article VII: Miscellaneous

Section 7.01 - No Waivers

No failure or delay by any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.02 - Integration

This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, written or oral, between and among the parties with respect to the subject matter hereof.

Section 7.03 - Successors and Assigns

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that no party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto.

Section 7.04 - **GOVERNING LAW**

THIS AGREEMENT SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF EPEC POLYMERS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

Section 7.05 - Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement, and when executed shall be binding on the parties hereto.

Section 7.06 - Entire Agreement

The parties acknowledge that there are no written agreements, contracts, covenants, promises, representations, warranties, inducements or understandings among them, with respect to the subjects hereof, except the Merger Agreement, the other agreements and letters referred to as surviving the effectiveness of the Merger under the Merger Agreement and the related agreements and the exhibits thereto.

Section 7.07 - Severability. In the event that one or more of the provisions of this Agreement shall be invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

EPEC POLYMERS, INC.,
a Delaware corporation

By: _____
Name: David L. Siddall
Title: Vice President

EPEC MINERAL COMPANY-NEVADA,
a Delaware corporation

By: _____
Name: David L. Siddall
Title: Vice President

847670260

I, Margaret E. Roark, Assistant Secretary of EPEC Polymers, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certify pursuant to the provisions of Section 251 of the Delaware General Corporation Law (the "DGCL"), that El Paso Energy Corporation, the sole shareholder of the Corporation, pursuant to the provisions of Section 228 of the DGCL, has consented to the merger of EPEC Minerals Company-Nevada, a Delaware corporation, with and into the Corporation, on the terms and conditions set forth in the Agreement of Merger to which this certification is appended.

IN WITNESS WHEREOF, I have subscribed my name and affixed the seal of El Paso Energy Corporation, this 12th day of December 2000.

[Seal]

By: Margaret E. Roark
Name: Margaret E. Roark
Title: Assistant Secretary

847670261

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"EL PASO ENERGY RESOURCES COMPANY", A DELAWARE CORPORATION,

WITH AND INTO "EPEC POLYMERS, INC." UNDER THE NAME OF "EPEC POLYMERS, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE THIRTEENTH DAY OF DECEMBER, A.D. 2000, AT 5:32 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Edward J. Freel, Secretary of State

0949234 8100M

AUTHENTICATION: 0856163

001626827

DATE: 12-14-00

847670262

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 05:32 PM 12/13/2000
001626827 - 0949234

CERTIFICATE OF MERGER

of

EL PASO ENERGY RESOURCES COMPANY

Delaware corporations

into

EPEC POLYMERS, INC.,

a Delaware corporation

The undersigned corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger are as follows:

Name	State of Incorporation:
EPEC Polymers, Inc.	Delaware
El Paso Energy Resources Company	Delaware

SECOND: That an Agreement and Plan of Merger among the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations and their respective members in accordance with the requirements of subsection (c) of Section 251 of the General Corporation Law of the State of Delaware.

THIRD: That the name of the surviving corporation is EPEC Polymers, Inc.

FOURTH: That the existing certificate of incorporation of EPEC Polymers, Inc., shall be the certificate of incorporation of the surviving corporation.

FIFTH: That the executed Agreement and Plan of Merger is on file at the principal place of business of the surviving corporation. The address of the principal place of business of the surviving corporation is 1001 Louisiana, Houston, Texas 77002.

SIXTH: That a copy of the Agreement and Plan of Merger will be furnished by the surviving corporation, on request and without cost, to any member of any constituent corporation.

SEVENTH: That this Certificate of Merger shall be effective at the time of its filing with the Office of the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, said EPEC Polymers, Inc., has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

EPEC POLYMERS, INC.

By: _____
Name: David L. Siddall
Title: Vice President

CERTIFICATE OF MERGER

of

EL PASO ENERGY RESOURCES COMPANY

Delaware corporations

into

EPEC POLYMERS, INC.,

a Delaware corporation

The undersigned corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger are as follows:

Name	State of Incorporation:
EPEC Polymers, Inc.	Delaware
El Paso Energy Resources Company	Delaware

SECOND: That an Agreement and Plan of Merger among the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations and their respective members in accordance with the requirements of subsection (c) of Section 251 of the General Corporation Law of the State of Delaware.

THIRD: That the name of the surviving corporation is EPEC Polymers, Inc.

FOURTH: That the existing certificate of incorporation of EPEC Polymers, Inc.. shall be the certificate of incorporation of the surviving corporation.

FIFTH: That the executed Agreement and Plan of Merger is on file at the principal place of business of the surviving corporation. The address of the principal place of business of the surviving corporation is 1001 Louisiana, Houston, Texas 77002.

SIXTH: That a copy of the Agreement and Plan of Merger will be furnished by the surviving corporation, on request and without cost, to any member of any constituent corporation.

SEVENTH: That this Certificate of Merger shall be effective at the time of its filing with the Office of the Secretary of State of the State of Delaware.

847670265

IN WITNESS WHEREOF, said EPEC Polymers, Inc., has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

EPEC POLYMERS, INC.

By: _____
Name: David L. Siddall
Title: Vice President

847670266

AGREEMENT OF MERGER

BETWEEN

EL PASO ENERGY RESOURCES COMPANY
a Delaware corporation

AND

EPEC POLYMERS, INC.
a Delaware corporation

AGREEMENT OF MERGER, made this 12th day of December, 2000 (the "Agreement"), by and between El Paso Energy Resources Company, a Delaware corporation ("El Paso Energy Resources"), and EPEC Polymers, Inc., a Delaware corporation, ("EPEC Polymers")

W I T N E S E T H:

WHEREAS, EPEC Polymers desires to acquire the property and other assets, and to assume all of the liabilities and obligations of El Paso Energy Resources by means of a merger (the "Merger") of El Paso Energy Resources with and into EPEC Polymers;

WHEREAS, Section 251 of the General Corporation Law of the State of Delaware (the "DGCL") authorizes the merger of a Delaware corporation with and into another Delaware corporation;

WHEREAS, El Paso Energy Resources and EPEC Polymers now desire to consummate the Merger, following which EPEC Polymers shall be the surviving corporation (sometimes hereinafter in such capacity, the "Surviving Corporation");

WHEREAS, each of (i) the Board of Directors of El Paso Energy Resources, and (ii) the Board of Directors of EPEC Polymers, has approved this Agreement and the consummation of the Merger;

WHEREAS, each of the (i) the Board of Directors of El Paso Energy Resources and (ii) the Board of Directors of EPEC Polymers has directed that this Agreement be submitted to its shareholders for approval;

847670267

NOW, THEREFORE, in consideration of the premises and the mutual agreements and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Article I: The Merger

Section 1.01 - The Merger

(a) Pursuant to the terms of this Agreement, El Paso Energy Resources shall merge with and into EPEC Polymers. The Merger will take effect upon filing with the Delaware Secretary of State (the "Effective Time").

(b) At the Effective Time, El Paso Energy Resources shall be merged with and into EPEC Polymers, whereupon the separate existence of El Paso Energy Resources shall cease, and EPEC Polymers shall be the surviving corporation of the Merger in accordance with Section 251 of the DGCL.

(c) EPEC Polymers as the surviving corporation shall continue its existence as a corporation under the laws of the State of Delaware.

Article II: The Surviving Corporation

Section 2.01 - The Surviving Corporation

The name of the surviving corporation will be EPEC Polymers, Inc.

Section 2.02 - Certificate of Incorporation

The Certificate of Incorporation of EPEC Polymers in effect immediately prior to the Effective Time shall be the Certificate of Incorporation of the Surviving Corporation unless and until amended in accordance with such Certificate of Incorporation and applicable law.

Section 2.03 - Bylaws

The Bylaws of EPEC Polymers shall be the Bylaws of the Surviving Corporation at and following the Effective Time, unless and until amended or repealed in accordance with the Certificate of Incorporation of EPEC Polymers and applicable law.

847670268

Section 2.04 - Directors and Officers

The directors and officers of EPEC Polymers at the Effective Time shall be the directors and officers, respectively, of the Surviving Corporation on and after the Effective Time until expiration of their current terms and until their successors are elected and qualified, or prior resignation, removal or death, subject to the Certificate of Incorporation and Bylaws of the Surviving Corporation and subsequent actions by the shareholders and/or directors of the Surviving Corporation.

Article III: Transfer of Assets and Liabilities

Section 3.01 - Transfer and Conveyance

At the Effective Time, all of the rights, privileges and powers of El Paso Energy Resources and EPEC Polymers, and all property, real, personal and mixed, and all debts due to each of El Paso Energy Resources and EPEC Polymers, as well as all other things and causes of action belonging to each of El Paso Energy Resources and EPEC Polymers shall be vested in EPEC Polymers as the Surviving Corporation, and shall thereafter be the property of the Surviving Corporation.

Section 3.02 - Assumption

At the Effective Time, EPEC Polymers as the Surviving Corporation, shall be liable for all of the liabilities and obligations of El Paso Energy Resources in accordance with the Act and Section 251 of the DGCD.

Article IV:
Treatment of Shares of EPEC Polymers and Shares of El Paso Energy Resources

Section 4.01 - Conversion of Common Shares of El Paso Energy Resources

At the Effective Time, each share of Common Stock of El Paso Energy Resources outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, shall be cancelled.

Section 4.02 - Shares of EPEC Polymers Remaining Outstanding

At the Effective Time, each share of Common Stock of EPEC Polymers outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, shall remain outstanding.

847670269

Article V: Amendment, Termination

Section 5.01 - Termination

This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, whether before or after approval by the shareholders of EPEC Polymers, by mutual written consent of the Board of Directors of El Paso Energy Resources and EPEC Polymers.

Section 5.02 - Effect of Termination

If this Agreement is terminated pursuant to Section 5.01, this Agreement shall become void and of no effect with no liability on the part of either party hereto.

Section 5.03 - Amendment

The parties hereto, by mutual consent of the Board of Directors of EPEC Polymers and the Board of Directors of El Paso Energy Resources, may amend, modify or supplement this Agreement in such manner as may be agreed upon by them in writing at any time before or after adoption and approval of this Agreement by the shareholders of EPEC Polymers and El Paso Energy Resources but not later than the Effective Time; provided, however that after approval of this Agreement by the shareholders of EPEC Polymers and El Paso Energy Resources no such amendment, modification, or supplement shall be made without the further approval of such shareholders except as permitted by Section 251(d) of the DGCL.

Article VI: Covenants of El Paso Energy Resources

Section 6.02 - Covenants of El Paso Energy Resources

If at any time EPEC Polymers shall consider or be advised that any further assignment, conveyance or assurance is necessary or advisable to vest, perfect or confirm of record in the Surviving Corporation the title to any property or right of El Paso Energy Resources, or otherwise to carry out the provisions hereof, the proper representatives of El Paso Energy Resources as of the Effective Time shall execute and deliver any and all proper deeds, assignments, and assurances and do all things necessary or proper to vest, perfect or convey title to such property or right in the Surviving Corporation, and otherwise to carry out the provisions hereof.

847670270

Section 6.03 - Authorization of El Paso Energy Resources

Upon or after the Effective Time, such persons as shall be authorized by the Board of Directors of EPEC Polymers shall be authorized to execute, acknowledge, verify, deliver, file and record, for and in the name of El Paso Energy Resources, any and all documents and instruments and shall do and perform any and all acts required by applicable law which the Board of Directors deems necessary or advisable, in order to effectuate the Merger and carry out the transactions contemplated hereby.

Article VII: Miscellaneous

Section 7.01 - No Waivers

No failure or delay by any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.02 - Integration

This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, written or oral, between and among the parties with respect to the subject matter hereof.

Section 7.03 - Successors and Assigns

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that no party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto.

Section 7.04 - **GOVERNING LAW**

THIS AGREEMENT SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF EPEC POLYMERS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

Section 7.05 - Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement, and when executed shall be binding on the parties hereto.

847670271

Section 7.06 - Entire Agreement

The parties acknowledge that there are no written agreements, contracts, covenants, promises, representations, warranties, inducements or understandings among them, with respect to the subjects hereof, except the Merger Agreement, the other agreements and letters referred to as surviving the effectiveness of the Merger under the Merger Agreement and the related agreements and the exhibits thereto.

Section 7.07 - Severability. In the event that one or more of the provisions of this Agreement shall be invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

EPEC POLYMERS, INC.,
a Delaware corporation

By: _____
Name: David L. Siddall
Title: Vice President

EL PASO ENERGY RESOURCES COMPANY
a Delaware corporation

By: _____
Name: David L. Siddall
Title: Vice President

847670272

I, Margaret E. Roark, Assistant Secretary of EPEC Polymers, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certify pursuant to the provisions of Section 251 of the Delaware General Corporation Law (the "DGCL"), that El Paso Energy Corporation, the sole shareholder of the Corporation, pursuant to the provisions of Section 228 of the DGCL, has consented to the merger of El Paso Energy Resources Company, a Delaware corporation, with and into the Corporation, on the terms and conditions set forth in the Agreement of Merger to which this certification is appended.

IN WITNESS WHEREOF, I have subscribed my name and affixed the seal of El Paso Energy Corporation, this 12th day of December 2000.

[Seal]

By: Margaret E. Roark
Name: Margaret E. Roark
Title: Assistant Secretary

847670273

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"MARLIN DRILLING CO., INC.", A DELAWARE CORPORATION,

WITH AND INTO "EPEC POLYMERS, INC." UNDER THE NAME OF "EPEC POLYMERS, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE THIRTEENTH DAY OF DECEMBER, A.D. 2000, AT 3:31 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Edward J. Freel, Secretary of State

0949234 8100M

AUTHENTICATION: 0856131

001626821

DATE: 12-14-00

847670274

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 03:31 PM 12/13/2000
001626821 - 0949234

CERTIFICATE OF MERGER

of

MARLIN DRILLING CO. INC.,

a Delaware corporation

into

EPEC POLYMERS, INC.,

a Delaware corporation

The undersigned corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger are as follows:

Name	State of Incorporation:
EPEC Polymers, Inc.	Delaware
Marlin Drilling Co., Inc.	Delaware

SECOND: That an Agreement and Plan of Merger among the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations and their respective members in accordance with the requirements of subsection (c) of Section 251 of the General Corporation Law of the State of Delaware.

THIRD: That the name of the surviving corporation is EPEC Polymers, Inc

FOURTH: That the existing certificate of incorporation of EPEC Polymers, Inc., shall be the certificate of incorporation of the surviving corporation.

FIFTH: That the executed Agreement and Plan of Merger is on file at the principal place of business of the surviving corporation. The address of the principal place of business of the surviving corporation is 1001 Louisiana, Houston, Texas 77002.

SIXTH: That a copy of the Agreement and Plan of Merger will be furnished by the surviving corporation, on request and without cost, to any member of any constituent corporation.

SEVENTH: That this Certificate of Merger shall be effective at the time of its filing with the Office of the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, said EPEC Polymers, Inc., has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

EPEC POLYMERS, INC.

By: _____
Name: David L. Siddall
Title: Vice President

CERTIFICATE OF MERGER

of

MARLIN DRILLING CO. INC.,

a Delaware corporation

into

EPEC POLYMERS, INC.,

a Delaware corporation

The undersigned corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger are as follows:

Name	State of Incorporation:
EPEC Polymers, Inc.	Delaware
Marlin Drilling Co., Inc.	Delaware

SECOND: That an Agreement and Plan of Merger among the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations and their respective members in accordance with the requirements of subsection (c) of Section 251 of the General Corporation Law of the State of Delaware.

THIRD: That the name of the surviving corporation is EPEC Polymers, Inc.

FOURTH: That the existing certificate of incorporation of EPEC Polymers, Inc., shall be the certificate of incorporation of the surviving corporation.

FIFTH: That the executed Agreement and Plan of Merger is on file at the principal place of business of the surviving corporation. The address of the principal place of business of the surviving corporation is 1001 Louisiana, Houston, Texas 77002.

SIXTH: That a copy of the Agreement and Plan of Merger will be furnished by the surviving corporation, on request and without cost, to any member of any constituent corporation.

SEVENTH: That this Certificate of Merger shall be effective at the time of its filing with the Office of the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, said EPEC Polymers, Inc., has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

EPEC POLYMERS, INC.

By: _____
Name: David L. Siddall
Title: Vice President

CERTIFICATE OF MERGER

of

MARLIN DRILLING CO. INC.,

a Delaware corporation

into

EPEC POLYMERS, INC.,

a Delaware corporation

The undersigned corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger are as follows:

Name	State of Incorporation:
EPEC Polymers. Inc.	Delaware
Marlin Drilling Co., Inc.	Delaware

SECOND: That an Agreement and Plan of Merger among the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations and their respective members in accordance with the requirements of subsection (c) of Section 251 of the General Corporation Law of the State of Delaware.

THIRD: That the name of the surviving corporation is EPEC Polymers, Inc.

FOURTH: That the existing certificate of incorporation of EPEC Polymers, Inc., shall be the certificate of incorporation of the surviving corporation.

FIFTH: That the executed Agreement and Plan of Merger is on file at the principal place of business of the surviving corporation. The address of the principal place of business of the surviving corporation is 1001 Louisiana, Houston, Texas 77002.

SIXTH: That a copy of the Agreement and Plan of Merger will be furnished by the surviving corporation, on request and without cost, to any member of any constituent corporation.

SEVENTH: That this Certificate of Merger shall be effective at the time of its filing with the Office of the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, said EPEC Polymers, Inc., has caused this certificate to be signed by the duly authorized undersigned officer this 12th day of December 2000.

EPEC POLYMERS, INC.

By: _____
Name: David L. Siddall
Title: Vice President

AGREEMENT OF MERGER

BETWEEN

MARLIN DRILLING CO., INC.
a Delaware corporation

AND

EPEC POLYMERS, INC.
a Delaware corporation

AGREEMENT OF MERGER, made this 12th day of December, 2000 (the "Agreement"), by and between Marlin Drilling Co., Inc., a Delaware corporation ("Marlin Drilling"), and EPEC Polymers, Inc., a Delaware corporation, ("EPEC Polymers")

W I T N E S E T H:

WHEREAS, EPEC Polymers desires to acquire the property and other assets, and to assume all of the liabilities and obligations of Marlin Drilling by means of a merger (the "Merger") of Marlin Drilling with and into EPEC Polymers;

WHEREAS, Section 251 of the General Corporation Law of the State of Delaware (the "DGCL") authorizes the merger of a Delaware corporation with and into another Delaware corporation;

WHEREAS, Marlin Drilling and EPEC Polymers now desire to consummate the Merger, following which EPEC Polymers shall be the surviving corporation (sometimes hereinafter in such capacity, the "Surviving Corporation");

WHEREAS, each of (i) the Board of Directors of Marlin Drilling, and (ii) the Board of Directors of EPEC Polymers. has approved this Agreement and the consummation of the Merger;

WHEREAS, each of the (i) the Board of Directors of Marlin Drilling and (ii) the Board of Directors of EPEC Polymers has directed that this Agreement be submitted to its shareholders for approval;

847670281

NOW, THEREFORE, in consideration of the premises and the mutual agreements and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Article I: The Merger

Section 1.01 - The Merger

(a) Pursuant to the terms of this Agreement, Marlin Drilling shall merge with and into EPEC Polymers. The Merger will take effect upon filing with the Delaware Secretary of State (the "Effective Time").

(b) At the Effective Time, Marlin Drilling shall be merged with and into EPEC Polymers, whereupon the separate existence of Marlin Drilling shall cease, and EPEC Polymers shall be the surviving corporation of the Merger in accordance with Section 251 of the DGCL.

(c) EPEC Polymers as the surviving corporation shall continue its existence as a corporation under the laws of the State of Delaware.

Article II: The Surviving Corporation

Section 2.01 - The Surviving Corporation

The name of the surviving corporation will be EPEC Polymers, Inc.

Section 2.02 - Certificate of Incorporation

The Certificate of Incorporation of EPEC Polymers in effect immediately prior to the Effective Time shall be the Certificate of Incorporation of the Surviving Corporation unless and until amended in accordance with such Certificate of Incorporation and applicable law.

Section 2.03 - Bylaws

The Bylaws of EPEC Polymers shall be the Bylaws of the Surviving Corporation at and following the Effective Time, unless and until amended or repealed in accordance with the Certificate of Incorporation of EPEC Polymers and applicable law.

847670282

Section 2.04 - Directors and Officers

The directors and officers of EPEC Polymers at the Effective Time shall be the directors and officers, respectively, of the Surviving Corporation on and after the Effective Time until expiration of their current terms and until their successors are elected and qualified, or prior resignation, removal or death, subject to the Certificate of Incorporation and Bylaws of the Surviving Corporation and subsequent actions by the shareholders and/or directors of the Surviving Corporation.

Article III: Transfer of Assets and Liabilities

Section 3.01 - Transfer and Conveyance

At the Effective Time, all of the rights, privileges and powers of Marlin Drilling and EPEC Polymers, and all property, real, personal and mixed, and all debts due to each of Marlin Drilling and EPEC Polymers, as well as all other things and causes of action belonging to each of Marlin Drilling and EPEC Polymers shall be vested in EPEC Polymers as the Surviving Corporation, and shall thereafter be the property of the Surviving Corporation.

Section 3.02 - Assumption

At the Effective Time, EPEC Polymers as the Surviving Corporation, shall be liable for all of the liabilities and obligations of Marlin Drilling in accordance with the Act and Section 251 of the DGCD.

Article IV:
Treatment of Shares of EPEC Polymers and Shares of Marlin Drilling

Section 4.01 - Conversion of Common Shares of Marlin Drilling

At the Effective Time, each share of Common Stock of Marlin Drilling outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, shall be cancelled.

Section 4.02 - Shares of EPEC Polymers Remaining Outstanding

At the Effective Time, each share of Common Stock of EPEC Polymers outstanding immediately prior to the Merger shall, by virtue of the Merger and without any action on the part of the holder thereof, shall remain outstanding.

Article V: Amendment, Termination

Section 5.01 - Termination

This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, whether before or after approval by the shareholders of EPEC Polymers, by mutual written consent of the Board of Directors of Marlin Drilling and EPEC Polymers.

Section 5.02 - Effect of Termination

If this Agreement is terminated pursuant to Section 5.01, this Agreement shall become void and of no effect with no liability on the part of either party hereto.

Section 5.03 - Amendment

The parties hereto, by mutual consent of the Board of Directors of EPEC Polymers and the Board of Directors of Marlin Drilling, may amend, modify or supplement this Agreement in such manner as may be agreed upon by them in writing at any time before or after adoption and approval of this Agreement by the shareholders of EPEC Polymers and Marlin Drilling but not later than the Effective Time; provided, however that after approval of this Agreement by the shareholders of EPEC Polymers and Marlin Drilling no such amendment, modification, or supplement shall be made without the further approval of such shareholders except as permitted by Section 251(d) of the DGCL.

Article VI: Covenants of Marlin Drilling

Section 6.02 - Covenants of Marlin Drilling

If at any time EPEC Polymers shall consider or be advised that any further assignment, conveyance or assurance is necessary or advisable to vest, perfect or confirm of record in the Surviving Corporation the title to any property or right of Marlin Drilling, or otherwise to carry out the provisions hereof, the proper representatives of Marlin Drilling as of the Effective Time shall execute and deliver any and all proper deeds, assignments, and assurances and do all things necessary or proper to vest, perfect or convey title to such property or right in the Surviving Corporation, and otherwise to carry out the provisions hereof.

847670284

Section 6.03 - Authorization of Marlin Drilling

Upon or after the Effective Time, such persons as shall be authorized by the Board of Directors of EPEC Polymers shall be authorized to execute, acknowledge, verify, deliver, file and record, for and in the name of Marlin Drilling, any and all documents and instruments and shall do and perform any and all acts required by applicable law which the Board of Directors deems necessary or advisable, in order to effectuate the Merger and carry out the transactions contemplated hereby.

Article VII: Miscellaneous

Section 7.01 - No Waivers

No failure or delay by any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 7.02 - Integration

This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, written or oral, between and among the parties with respect to the subject matter hereof.

Section 7.03 - Successors and Assigns

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that no party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto.

Section 7.04 - **GOVERNING LAW**

THIS AGREEMENT SHALL IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF EPEC POLYMERS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

Section 7.05 - Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement, and when executed shall be binding on the parties hereto.

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Section 7.06 - Entire Agreement

The parties acknowledge that there are no written agreements, contracts, covenants, promises, representations, warranties, inducements or understandings among them, with respect to the subjects hereof, except the Merger Agreement, the other agreements and letters referred to as surviving the effectiveness of the Merger under the Merger Agreement and the related agreements and the exhibits thereto.

Section 7.07 - Severability. In the event that one or more of the provisions of this Agreement shall be invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

EPEC POLYMERS, INC.,
a Delaware corporation

By: _____
Name: David L. Siddall
Title: Vice President

MARLIN DRILLING CO., INC.,
a Delaware corporation

By: _____
Name: David L. Siddall
Title: Vice President

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State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "EL PASO NATURAL GAS COMPANY", FILED IN THIS OFFICE ON THE ELEVENTH DAY OF MAY, A.D. 1999, AT 3:01 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

0247127 8100

991188471

AUTHENTICATION: 9739469

DATE: 05-12-99

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RESTATED

CERTIFICATE OF INCORPORATION

OF

EL PASO NATURAL GAS COMPANY

Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware

El Paso Natural Gas Company, a corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows:

1. The name of the corporation is El Paso Natural Gas Company (the "Corporation"). The Corporation was originally incorporated under the name El Paso Natural Gas Company. The original certificate of incorporation was filed with the Secretary of State of the State of Delaware on November 28, 1928.

2. This Restated Certificate of Incorporation restates and further amends the Certificate of Incorporation of the Corporation and has been adopted and approved in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware. Stockholder approval of this Restated Certificate of Incorporation was given by unanimous written consent of the stockholders of the Corporation in accordance with Section 228 of the General Corporation Law of the State of Delaware.

3. The text of the Certificate of Incorporation, as heretofore amended, is hereby amended and restated to read in its entirety as follows:

ARTICLE 1
NAME

The name of this corporation is El Paso Natural Gas Company.

ARTICLE 2
REGISTERED OFFICE AND AGENT

The address of the registered office of this corporation is Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, State of Delaware 19801, and the name of its registered agent at such address is The Corporation Trust Company.

ARTICLE 3
PURPOSES

The purpose of this corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE 4
SHARES

The total number of authorized shares of all classes of stock of this corporation shall consist of 1,000 shares of common stock having a par value of $1.00 per share and 1,000,000 shares of preferred stock having a par value of $0.01 per share. Authority is hereby expressly granted to the Board of Directors to fix by resolution or resolutions any of the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions which are permitted by the General Corporation Law of the State of Delaware in respect of any class or classes of stock or any series of any class of stock of the corporation.

PREFERRED STOCK DESIGNATED "8% PREFERRED STOCK"

Pursuant to the authority vested in the Board of Directors of the Corporation by the Certificate of Incorporation, as amended (as such may be further amended from time to time, the "Certificate of Incorporation"), a series of Preferred Stock, par value $0.01 per share, of the Corporation (the "Preferred Stock") be, and hereby is, created to be designated "8% Preferred Stock" (hereinafter referred to as the "8% Preferred Stock"), consisting of 500,000 shares, and the designations, powers, preferences and relative and other special rights and the qualifications, limitations and restrictions of the 8% Preferred Stock are hereby fixed and stated to be as follows (all terms used herein that are defined in the Certificate of Incorporation shall be deemed to have the meanings provided therein):

SECTION 1. Dividends. (a) The dividend rate on the 8% Preferred Stock shall be 8% of $700 per share of Preferred Stock per annum. Dividends on shares of the 8% Preferred Stock shall be cumulative and shall accrue from the date of issuance of such shares, whether or not declared by the Board of Directors of the Corporation (or a duly authorized committee thereof). Accrued but unpaid dividends shall not bear interest.

(b) Dividends on the 8% Preferred Stock shall be payable when, as, and if declared by the Board of Directors of the Corporation (or a duly authorized committee thereof) out of assets legally available therefor, annually on the last day of November in each year (each, a "Dividend Payment Date"), with the first dividend payment date being the next Dividend Payment Date following the date of issuance. Dividends on each Dividend Payment Date will be payable to holders

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of record of the 8% Preferred Stock as they appear on the records of the Corporation on a record date, not more than 60 days preceding such Dividend Payment Date, fixed for such purpose by the Board of Directors (or a duly authorized committee thereof) in advance of such Dividend Payment Date. Accrued dividends not paid on a Dividend Payment Date may be declared and paid at any time, without reference to any regular Dividend Payment Date, to the holders of record on such record date, not more than 60 days preceding the payment date thereof, as may be fixed by the Board of Directors (or a duly authorized committee thereof). Dividends payable on shares of 8% Preferred Stock for the initial dividend period following issuance of such shares or any other dividend period shorter than a year shall be computed on the basis of a 360-day year of twelve 30-day months. The 8% Preferred Stock shall rank on a parity with each other series of Preferred Stock as to the payment of dividends, except to the extent otherwise provided in the resolution or resolutions of the Board of Directors of the Corporation fixing the designations and the powers, preferences, and rights, and the qualifications, limitations, and restrictions in respect of such other series of Preferred Stock.

SECTION 2. Voting. The 8% Preferred Stock shall not have any voting rights except as required by law or the Certificate of Incorporation.

SECTION 3. Redemption. (a) At any time or from time to time, on or after January 1, 2003, the shares of the 8% Preferred Stock shall be redeemable at the option of the corporation (by resolution of the Board of Directors or a duly authorized committee thereof), in whole or in part, out of funds legally available therefor, at a redemption price equal to $700.00 per share, plus an amount equal to all accrued and unpaid dividends, if any, to but excluding the date fixed for redemption. If fewer than all outstanding shares of 8% Preferred Stock are to be redeemed, the Corporation will select those shares to be redeemed pro rata, by lot, or by a substantially equivalent method.

(b) Notice of redemption pursuant to paragraph (a) of this Section 3 shall be given by mail, not less than 30 days prior to the date fixed for redemption, to each record holder of the shares of 8% Preferred Stock to be redeemed at the address of such holder on the records of the Corporation. If a notice of redemption has been given pursuant to this subsection (b) and if, on or before the date fixed for redemption, the funds necessary for such redemption shall have been irrevocably deposited or set aside by the Corporation, separate and apart from its other funds, to pay the redemption price to the holders of the shares of 8% Preferred Stock so called for redemption upon surrender of the certificates therefor, then, notwithstanding that any certificates for such shares have not been surrendered for cancellation, from and after the date fixed for redemption, dividends on the shares of 8% Preferred Stock so called for redemption will cease to accrue, such shares will no longer be deemed outstanding, and all rights of the holders thereof as stockholders of the Corporation (except the right to receive

payment of the redemption price) will cease. Subject to applicable escheat and similar abandoned property laws, any moneys so deposited or set aside by the Corporation for such redemption and unclaimed at the end of six months from the date fixed for redemption shall revert to the general funds of the Corporation, after which reversion the holders of such shares so called for redemption shall look only to the general funds of the Corporation for payment of the amounts payable upon such redemption. Any interest accrued on funds so deposited or set aside shall be paid to the Corporation from time to time.

SECTION 4. Liquidation Rights. (a) The shares of 8% Preferred Stock shall rank, as to distributions upon dissolution, liquidation, and winding up of the Corporation, prior to the shares of Common Stock and on parity with each other series of Preferred Stock, except to the extent otherwise provided in the resolution or resolutions of the Board of Directors of the Corporation fixing the designations and the powers, preferences, and rights, and the qualifications, limitations, and restrictions in respect of such other series of Preferred Stock. Subject to subsection (b) of this Section 4, the amount that the holders of 8% Preferred Stock shall be entitled to receive in the event of any dissolution, liquidation, or winding up of the affairs of the Corporation, whether voluntary or involuntary, shall be $700.00 per share, plus an amount equal to all accrued and unpaid dividends, if any, to the date of dissolution or liquidation. After such amount is paid in full, no further distributions or payments shall be made in respect of shares of 8% Preferred Stock, such shares of 8% Preferred Stock shall no longer be deemed to be outstanding or be entitled to any powers, preferences, rights, or privileges, and certificates representing such shares of 8% Preferred Stock shall be surrendered for cancellation to the Corporation.

(b) In the event of any dissolution, liquidation, or winding up of the Corporation, then, before any distribution or payment shall be made to the holders of Common Stock or any other class or series of stock of the Corporation ranking junior to the 8% Preferred Stock with respect to distributions upon dissolution, liquidation, or winding up, the holders of the 8% Preferred Stock (subject to the rights of the holders of any class or series of stock ranking prior to the 8% Preferred Stock with respect to distributions upon dissolution, liquidation, or winding up) shall be entitled to be paid in full the amounts set forth in subsection (a) of this Section 4. After such payment shall have been made in full to the holders of the 8% Preferred Stock, the remaining assets and funds of the Corporation shall be distributed to the holders of the stock of the Corporation ranking junior to the 8% Preferred Stock with respect to distributions upon dissolution, liquidation, or winding up according to their respective rights. In the event that the assets of the Corporation available for distribution to the holders of 8% Preferred Stock shall not be sufficient to pay in full the preferential payment herein required to be paid to the holders of shares of 8% Preferred Stock and to pay in full the liquidation preference on all other shares of stock of the Corporation ranking on parity with the 8% Preferred Stock with respect to

distributions upon dissolution, liquidation, and winding up of the Corporation, then such assets shall be distributed to the holders of shares of 8% Preferred Stock and any such other parity stock ratably in proportion to the full amounts to which they otherwise would be respectively entitled if all amounts payable thereon were paid in full.

SECTION 5. Maturity. Unless otherwise redeemed as provided herein, the term of the 8% Preferred Stock shall be perpetual.

ARTICLE 5
BY-LAWS

The Board of Directors shall have the power to adopt, amend or repeal the By-laws of this corporation, subject to the power of the stockholders to amend or repeal such By-laws. The stockholders having voting power shall also have the power to adopt, amend or repeal the By-laws of this corporation.

ARTICLE 6
ELECTION OF DIRECTORS

Except as may be otherwise required by the By-laws, written ballots are not required in the election of Directors.

ARTICLE 7
INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Corporation shall indemnify its officers and directors to the full extent permitted by the General Corporation Law of the State of Delaware, as amended from time to time

ARTICLE 8
LIMITATION OF DIRECTOR LIABILITY

No director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, for any act or omission, except that a director may be liable (i) for breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit. If the General Corporation Law of the State of Delaware is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of the directors shall be eliminated or limited to the fullest extent

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permitted by the General Corporation Law of the State of Delaware, as so amended. The elimination and limitation of liability provided herein shall continue after a director has ceased to occupy such position as to acts or omissions occurring during such director's term or terms of office. Any amendment, repeal or modification of this Article 8 shall not adversely affect any right of protection of a director of the Corporation existing at the time of such repeal or modification.

IN WITNESS WHEREOF, the undersigned has caused this Restated Certificate of Incorporation to be executed by a duly authorized officer this 11th day of May 1999.

El Paso Natural Gas Company

Jeffrey I. Beason
Vice President and Controller

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State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "TENNESSEE GAS PIPELINE COMPANY", FILED IN THIS OFFICE ON THE ELEVENTH DAY OF MAY, A.D. 1999, AT 3:15 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Edward J. Freel, Secretary of State

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991188516

AUTHENTICATION: 9739456

DATE: 05-12-99

RESTATED

CERTIFICATE OF INCORPORATION

OF

TENNESSEE GAS PIPELINE COMPANY

Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware

Tennessee Gas Pipeline Company, a corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows:

1. The name of the corporation is Tennessee Gas Pipeline Company (the "Corporation"). The Corporation was originally incorporated under the name Tennesse Gas Transmission Company. The original certificate of incorporation was filed with the Secretary of State of the State of Delaware on June 9, 1947.

2. This Restated Certificate of Incorporation restates and further amends the Certificate of Incorporation of the Corporation and has been adopted and approved in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware. Stockholder approval of this Restated Certificate of Incorporation was given by unanimous written consent of the stockholders of the Corporation in accordance with Section 228 of the General Corporation Law of the State of Delaware.

3. The text of the Certificate of Incorporation, as heretofore amended, is hereby amended and restated to read in its entirety as follows:

FIRST: The name of the corporation is Tennessee Gas Pipeline Company.

SECOND: The address of the Corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, City of Wilmington, New Castle County, Delaware 19801, and the name of its registered agent at the above address is The Corporation Trust Company.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of stock the corporation shall have authority to issue is three hundred (300) shares of common stock with a par value of five dollars ($5.00) per share.

Shares of stock of this corporation whether with or without par value, of any class or classes hereby or hereafter authorized, may be issued by this corporation from time to time for such consideration permitted by law as may be fixed from time to time by the Board of Directors.

FIFTH: Unless required by the By-laws, the election of the Board of Directors need not be by written ballot.

SIXTH: The Board of Directors of this corporation is expressly authorized to make, alter, or repeal the By-laws of the corporation, but the stockholders may make additional by-laws and may alter or repeal any By-law whether or not adopted by them.

SEVENTH: No director of the Corporation shall be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, for any act or omission, except that a director may be liable (i) for breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit. If the General Corporation Law of the State of Delaware is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of the directors shall be eliminated or limited to the fullest extent permitted by the General Corporation Law of the State of Delaware, as so amended. The elimination and limitation of liability provided herein shall continue after a director has ceased to occupy such position as to acts or omissions occurring during such director's term or terms of office. Any amendment, repeal or modification of this Article Seventh shall not adversely affect any right of protection of a director of the Corporation existing at the time of such repeal or modification.

IN WITNESS WHEREOF, Tennessee Gas Pipeline Company has caused this Restated Certificate of Incorporation to be signed by a duly authorized officer this 11th day of May 1999.

Tennessee Gas Pipeline Company

By: Jeffrey I. Beason
Jeffrey I. Beason
Vice President and Controller

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State of Delaware

Office of the Secretary of State

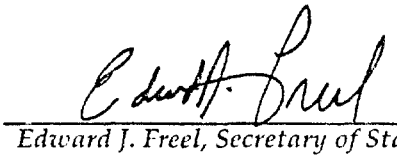
I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"NEW TENN COMPANY", A DELAWARE CORPORATION,

"NEW TENNESSEE GAS PIPELINE COMPANY", A DELAWARE CORPORATION,

WITH AND INTO "TENNESSEE GAS PIPELINE COMPANY" UNDER THE NAME OF "TENNESSEE GAS PIPELINE COMPANY", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, WAS RECEIVED AND FILED IN THIS OFFICE THE TWENTY-FOURTH DAY OF APRIL, A.D. 1996, AT 9:30 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CORPORATION SHALL BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE.



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Edward J. Freel, Secretary of State

2050367 8330

991129898

AUTHENTICATION: 9666548

DATE: 04-02-99

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"EPEC EASTERN REALTY, INC.", A NEW JERSEY CORPORATION,

WITH AND INTO "EPEC POLYMERS, INC." UNDER THE NAME OF "EPEC POLYMERS, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE SEVENTEENTH DAY OF DECEMBER, A.D. 1998, AT 10 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF OWNERSHIP IS THE THIRTY-FIRST DAY OF DECEMBER, A.D. 1998.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

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Edward J. Freel, Secretary of State

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AUTHENTICATION: 9470594

DATE: 12-17-98

CERTIFICATE OF OWNERSHIP AND MERGER

merging

EPEC EASTERN REALTY, INC.
(Subsidiary, a New Jersey corporation)
into

EPEC POLYMERS, INC.
(Parent, a Delaware corporation)

(Pursuant to Section 253 of the General Corporation Law of the State of Delaware.)

EPEC Polymers, Inc., a Delaware corporation (the "Company"), for the purposes of merging EPEC Eastern Realty, Inc., a New Jersey corporation ("Subsidiary") with and into the Company, does hereby certify as follows:

FIRST: That the name and state of incorporation of each constituent corporation of the merger is as follows:

Name	State of Incorporation
EPEC Eastern Realty, Inc.	New Jersey
EPEC Polymers, Inc.	Delaware

SECOND: That the Company owns all of the outstanding shares of each class of the capital stock of the Subsidiary.

THIRD: Attached hereto as Exhibit A is a true and correct copy of the resolutions adopted by the Company's Board of Directors dated as of the 10th day of December 1998, pursuant to which the Company determined to merge into itself the Subsidiary on the conditions set forth in such resolutions.

FOURTH: That this Certificate of Ownership and Merger and the mergers contemplated hereby shall be effective at 12:10 p.m., Eastern Standard Time, on December 31, 1998.

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IN WITNESS WHEREOF, said EPEC Polymers, Inc. has caused this certificate to be signed by H. Brent Austin, its Executive Vice President, and attested by Kelly J. Jameson, its Assistant Secretary, this 10th day of December 1998.

EPEC POLYMERS, INC.

By: H. Brent Austin

H. Brent Austin
Executive Vice President

Attest:

By: Kelly J. Jameson

Kelly J. Jameson, Assistant Secretary

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EXHIBIT A

WHEREAS, this Company is the owner of all of the issued and outstanding shares of common stock of EPEC Eastern Realty, Inc., a Delaware corporation (the "Subsidiary");

WHEREAS, this Company desires to merge the Subsidiary with and into itself and to possess of all the estate, property, rights, privileges and franchises of the Subsidiary; and

WHEREAS, the Board of Directors of this Company believes it is in the best interests of this Company to merge the Subsidiary with and into itself;

NOW, THEREFORE, BE IT RESOLVED that this Company merge the Subsidiary with and into itself, that the separate existence of the Subsidiary cease at the Effective Time (hereafter defined), and that this Company, as the surviving Company of the merger pursuant to Section 253 of the General CorporationLaw of the State of Delaware (the "DGCL"), continue to exist by virtue of and be governed by the laws of the State of Delaware (such actions, collectively, being called the "Merger").

RESOLVED that the Merger be, and hereby is, approved.

RESOLVED that the Merger shall be effective as of 12:10 p.m., Eastern Standard Time, on December 31, 1998 (such date and time being referred to herein as the "Effective Time").

RESOLVED that, at the Effective Time, this Company, without further action, as provided by the laws of the State of Delaware, succeed to and possess all the rights, privileges, powers, and franchises of a public as well as of a private nature, of the Subsidiary; and all property, real, personal and mixed, and all debts due on whatsoever account, including subscriptions to shares, and all other choses in action, and all and every other interest, of or belonging to or due to the Subsidiary shall be vested in this Company without further act or deed; and all property, rights, privileges, powers and franchises, and all and every other interest shall thereafter be as effectively the property of this Company as they were of the Subsidiary; and the title to any real estate, or any interest therein, vested in this Company or the Subsidiary by deed or otherwise shall not revert or be in any way impaired by reason of the Merger. This Company shall thenceforth be responsible and liable for all debts, liabilities, and duties of the Subsidiary, which may be enforced against this Company to the same extent as if those debts, liabilities, and duties had been incurred or contracted by this Company. Neither the rights of creditors nor any liens upon the property of the Subsidiary or this Company shall be impaired by the Merger.

RESOLVED that, at the Effective Time, each share of common stock of the Subsidiary be cancelled.

RESOLVED that any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Ownership and Merger setting forth, among other things, a copy of these resolutions and the date of their adoption; and that each such officer is hereby authorized and

directed to cause the executed Certificate of Ownership and Merger to be filed in the Office of the Secretary of State of the State of Delaware and to cause certified copies of that Certificate to be recorded in the Offices of the Recorder of Deeds of the appropriate counties, all in accordance with Sections 103 and 253 of the DGCL.

RESOLVED that the proper officers be, and each of them hereby is, authorized and empowered, in the name and on behalf of this Company, or any subsidiary of this Company, to do and perform, or cause to be done and performed, all such acts, deeds and things, to make, execute, and deliver, or cause to be made, executed, and delivered, all such agreements, guaranties, notes, evidences of borrowings, undertakings, documents, instruments and certificates as each such officer may deem necessary or appropriate to effectuate and carry out fully the purpose and intent of the foregoing resolutions.

RESOLVED that at any time prior to the Effective Time, the Board of Directors of this Company may terminate the Merger and if, at the time of such termination, a Certificate of Ownership and Merger has been filed with the Secretary of State of the State of Delaware, any officer of this Company be, and each of them hereby is, authorized and directed to execute and acknowledge in the name and on behalf of this Company a Certificate of Termination.

RESOLVED that any and all actions heretofore taken by any officer of this Company, or any subsidiary of this Company, in connection with the foregoing resolutions be, and hereby are, ratified and approved.

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "TENNECO POLYMERS, INC.", CHANGING ITS NAME FROM "TENNECO POLYMERS, INC." TO "EPEC POLYMERS, INC.", FILED IN THIS OFFICE ON THE TWENTY-FOURTH DAY OF DECEMBER, A.D. 1996, AT 10 O'CLOCK A.M.

A CERTIFIED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS FOR RECORDING.

Edward J. Freel, Secretary of State

AUTHENTICATION: 8262149

DATE: 12-27-96

0949234 8100

960384020

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CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

TENNECO POLYMERS, INC. (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

> RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "1." so that, as amended, said Article shall be and read as follows:
>
> "1. The name of the corporation is EPEC Polymers, Inc."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said TENNECO POLYMERS, INC. has caused this certificate to be signed on its behalf by its Senior Vice President and attested by its Secretary, this 12th day of December 1996.

TENNECO POLYMERS, INC.

H. Brent Austin

Senior Vice President
H. Brent Austin

Attest:

Stacy J. James

Secretary
Stacy J. James

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State of DELAWARE

Office of SECRETARY OF STATE

I, Glenn C. Kenton, Secretary of State of the State of Delaware, do hereby certify that the attached is a true and correct copy of Certificate of Incorporation filed in this office on December 3, 1982.

DEPARTMENT OF STATE
OFFICE OF THE SECRETARY OF STATE
1795 1970
DELAWARE

Glenn C. Kenton

Glenn C. Kenton, Secretary of State

BY: K Staggs

DATE: December 3, 1982

Form 130

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FILED

DEC 3 1982

Glenn C. Kenton
SECRETARY OF STATE

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CERTIFICATE OF INCORPORATION

OF

Tenneco Polymers, Inc.

* * * * *

1. The name of the corporation is

Tenneco Polymers, Inc.

2. The address of its registered office in the State of Delaware is No. 100 West Tenth Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

3. The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

4. The total number of shares of stock which the corporation shall have authority to issue is two hundred (200) and the par value of each of such shares is Five Dollars ($5.00) amounting in the aggregate to One Thousand Dollars ($1,000.00).

5A. The name and mailing address of each incorporator is as

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5B. The name and mailing address of each person, who is to serve as a director until the first annual meeting of the stockholders or until a successor is elected and qualified, is as follows:

NAME	MAILING ADDRESS
Ralph S. Cunningham	P.O. Box 2511 Houston, Texas 77001
Giles E. Disch	P.O. Box 2511 Houston, Texas 77001
C. R. Dodds	P.O. Box 2511 Houston, Texas 77001
Carol E. Belton	P.O. Box 2511 Houston, Texas 77001
Ralph J. Maynard	P.O. Box 2511 Houston, Texas 77001
Raymond H. Marks	P.O. Box 2511 Houston, Texas 77001

6. The corporation is to have perpetual existence.

7. In furtherance and not in limitation of the powers conferred by statute, the board of directors is expressly authorized to make, alter or repeal the by-laws of the corporation.

8. Elections of directors need not be by written ballot unless the by-laws of the corporation shall so provide.

Meetings of stockholders may be held within or without the State of Delaware, as the by-laws may provide. The books of the corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the board of directors or in the by-laws of the corporation.

9. The corporation reserves the right to amend, alter, change or repeal any provision contained in this certificate of incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

WE, THE UNDERSIGNED, being each of the incorporators hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, do make this certificate, hereby declaring and certifying that this is our act and deed and the facts herein stated are true, and accordingly have hereunto set our hands this 2nd day of December, 1982.

K. S. Hood

E. A. Wallace

E. W. Patterson

RECEIVED FOR RECORD

DEC 3 1982

HEO J. DUGAN, Jr., Recorder

847670308

PLEASE RETURN TO
THE CORPORATION TRUST COMPANY

24.00

RECEIVED FOR RECORD

DEC 3 1982

LEO J. DUGAN, Jr., Recorder

847670309