

STATE OF SOUTH CAROLINA)

COUNTY OF GREENVILLE)

THIS merger agreement made and entered into this 25th day of May, 1960, by and on behalf of WUNDA WEVE CARPET CO., hereinafter referred to as "Wunda Weve", and a majority of its directors, as Parties of the First Part, and BELRUG MILLS OF SOUTH CAROLINA, hereinafter referred to as "Belrug", and a majority of its directors, as Parties of the Second Part,

W I T N E S S E T H

WHEREAS, Wunda Weve is a corporation created and existing under the laws of the State of Illinois, with an authorized capital of One Hundred Thirty-Four Thousand Dollars (\$134,000) consisting of 13,400 shares of common stock with no par value, of which 12,406 shares are issued and outstanding, 610 of which are owned by the corporation and carried as treasury stock, and

WHEREAS, Belrug is a corporation created and existing under the laws of the State of South Carolina, with an authorized capital of One Hundred Thirty-Five Thousand Dollars (\$135,000), consisting of 500 shares of preferred stock of the par value of Fifty Dollars (\$50.00) each, none of which is outstanding, and 110,000 shares of common stock of the par value of One Dollar (\$1.00) each, of which 101,925 shares of common stock are issued and outstanding, 4,975 are owned by the corporation and carried as treasury stock, and

WHEREAS, the two corporations aforesaid have identical stockholders, all owning approximately the same proportional interest in each of the corporations and both corporations use the same plant, machinery and equipment for the manufacture of carpets, and

WHEREAS, the Board of Directors of each of said corporations

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