



*State of New York* }  
*Department of State* } ss:

*I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.*

*Witness my hand and seal of the Department of State on*      **OCT - 2 1997**



A handwritten signature in cursive script, appearing to read "J. Clark", followed by a horizontal line.

*Special Deputy Secretary of State*

6 (5/96)

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RESTATED CERTIFICATE OF INCORPORATION

OF

AMERICAN STEEL WOOL MFG. CO., INC.

(Under Section 377 of the Business Corporation Law)

ARTICLE FIRST

The name of the corporation is AMERICAN STEEL WOOL MFG. CO., INC.

The name under which the corporation was formed was C. & A. Acquisition Corp.  
(hereinafter called the "Corporation").

ARTICLE SECOND

The Corporation filed its original Certificate of Incorporation with the New York  
Secretary of State on July 25, 1977.

ARTICLE THIRD

The Certificate of Incorporation is amended to effect the change in the name of the  
Corporation to Global Material Technologies, Incorporated

ARTICLE FOURTH

The Board of Directors of the Corporation, pursuant to Section 708 of the New York  
Business Corporation Law, adopted resolutions authorized the Corporation to amend, integrate and  
restate the Corporation's Certificate in its entirety to read as set forth attached hereto  
and made a part hereof (the "Restated Certificate"). The sole Shareholder of the Corporation,  
pursuant to Section 615 of the Business Corporation Law, approved resolutions by Unanimous

Written Consent, in which it authorizes the Corporation to amend, integrate and restate the Corporation's Certificate in its entirety

ARTICLE SIXTH

The text of the Certificate of Incorporation is hereby restated as further amended or changed to read as therein set forth in full

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**CERTIFICATE OF INCORPORATION  
OF  
GLOBAL MATERIALS TECHNOLOGIES, INCORPORATED**

(Under Section 402 of the Business Corporation Law)

**ARTICLE FIRST**

The name of the Corporation is GLOBAL MATERIALS TECHNOLOGIES,  
INCORPORATED (hereinafter called the "Corporation")

**ARTICLE SECOND**

The purposes for which the Corporation is formed is to engage in any lawful act or activity for which corporations may be organized under the New York Business Corporation Law provided that the corporation is not formed to engage in any act or activity which requires the consent or approval of any state official, department, board, agency or other body, without such consent or approval first being obtained

**ARTICLE THIRD**

The office of the Corporation in the State of New York is to be located in New York County, New York.

**ARTICLE FOURTH**

The aggregate number of shares of capital stock which the Corporation shall have authority to issue is Five Hundred One Thousand (501,000) shares consisting of:

- (1) 500,000 shares of Preferred Stock, \$.01 par value per share (the "Preferred Stock"), and
- (2) 1,000 shares of Common Stock, \$.01 par value per share (the "Common Stock").

1. The powers, preferences, rights, qualifications, limitations and specifications of the Preferred Stock are specified in this Article FOURTH.

## 2. DIVIDENDS

2A. General Obligation The holders of shares of the Preferred Stock shall be entitled to receive dividends out of any assets legally available therefor, prior and in preference to any declaration or payment of any dividend (payable other than in shares of Common Stock of the Company) on the Common Stock of the Company. Dividends on each share of Preferred Stock (a "Share") of the Company shall be cumulative and shall accrue on a daily basis at a rate equal to the greater of 12.5% or four percent (4%) plus the Reference Rate (as defined below) per share per annum of the Liquidation Value thereof from and including the date of issuance of such Share to and including the date on which such Share is redeemed in full. Such dividends will accrue whether or not they have been declared and whether or not there are profits, surplus or other funds of the Company legally available for the payment of dividends. The date on which the Company initially issues any Share of Preferred Stock will be deemed to be its "date of issuance" regardless of the number of certificates which may be issued to evidence such Share. The "Reference Rate" means the variable rate of interest per annum, most recently announced by Bank of America, WT and SA ("Bank") at its headquarters in San Francisco, California, as its "reference rate," with the understanding that the Bank's "reference rate" is one of its base rates and serves as a basis upon which effective rates of interest are calculated for loans making reference thereto and may not be the lowest of the Bank's base rates. Any change in the Reference Rate shall be effective as of the effective date stated in the announcement by the Bank of such change.

2B. Dividend Reference Dates To the extent not paid on the first day of such calendar month, beginning September 1, 1987 (the "Dividend Reference Dates"), all dividends which have accrued on each Share of Preferred Stock outstanding during the off-month period (or other period in the case of the initial Dividend Reference Date) ending upon each such Dividend Reference Date will be paid and until so paid will be added to the Liquidation Value of such Share and will remain a part thereof until such dividends are paid.

2C. Distribution of Partial Dividend Payments If at any time the Company pays less than the total amount of dividends then accrued with respect to the Preferred Stock, such payment will be distributed ratably among the holders of the Preferred Stock based upon the aggregate accrued but unpaid dividends on the Shares held by each such holder.

3. LIQUIDATION Upon any liquidation, dissolution or winding up of the Company, the holders of Preferred Stock will be entitled to be paid, before any distribution or payment is made upon any Junior Securities, an amount in cash equal to the aggregate Liquidation Value of all Shares outstanding, and the holders of Preferred Stock will not be entitled to any further payment. If upon any such liquidation, dissolution or winding up of the Company, the Company's assets to be distributed among the holders of the Preferred Stock are insufficient to permit payment to such holders of the aggregate amount which they are entitled to be paid, then the entire assets to be distributed will be distributed ratably among such holders based upon the aggregate Liquidation

Value of the Preferred Stock held by each such holder. The Company will mail written notice of such liquidation, dissolution or winding up, not less than 60 days prior to the payment date stated therein, to each record holder of Preferred Stock. Neither the consolidation or merger of the Company into or with any other corporation or corporations, nor the sale or transfer by the Company of all or any part of its assets, nor the reduction of the capital stock of the Company, will be deemed to be liquidation, dissolution or winding up of the Company within the meaning of this paragraph 3.

#### 4. REDEMPTION

4A. Scheduled Redemptions The Company will redeem 62,500 Shares of Preferred Stock (or such lesser number as are then outstanding) on each April 1, July 1, October 1 and January 1 of each year, beginning October 1, 1992 (the "Scheduled Redemption Dates") at a price per share equal to the Redemption Price.

4B. Mandatory Redemption Unless restricted by the provisions of Section 6 hereof or by applicable laws, the Company will redeem all of the Shares of Preferred Stock then outstanding at a price per Share equal to the Redemption Price on the date the Loans (as defined in the Loan Agreement) are repaid in full, if such repayments are made on or after the expiration of the term of such Loans, or the Company at its option has elected to prepay such Loans prior to the expiration of their terms.

4C. Optional Redemptions Subject to the terms and restrictions contained in the Preferred Stock Purchase Agreement and the Loan Agreements, the Company shall be permitted to redeem all or any portion of the Shares of Preferred Stock at any time for the Redemption Price, provided, that no such redemption shall relieve the Company of its obligations to redeem Shares of Preferred Stock on the Scheduled Redemption Dates.

#### 4D. Special Redemptions

(i) If a Change in Ownership has occurred or is about to occur, the company will notify each holder of Preferred Stock in writing of such Change in Ownership as soon as practicable, but in any event not later than 10 days after the occurrence thereof. The holder or holders of the Preferred Stock then outstanding may require the Company to redeem all or any portion of the Preferred Stock owned by such holder or holders at a price per Share equal to the Redemption Price by giving written notice to the Company of such election within 30 days after the occurrence of such Change in Ownership. The company will give written notice of such election to the other holders of Preferred Stock within 40 days after the occurrence of such Change in Ownership, and each such holder will have until 50 days after the occurrence of such Change in Ownership to request redemption (by giving written notice to the company) of all

or any portion of the Preferred Stock owned by such holder. Upon receipt of such election(s), the Company will be obligated to redeem the number of Shares specified therein within 60 days after the occurrence of such Change in Ownership. The term "Change in Ownership" means any sale or issuance or series of related sales and/or issuances of the Common Stock which results in any Person or group of affiliated Persons (other than the owners of Common Stock as of the date of the Preferred Stock Purchase Agreement) owning more than 50% of the Common Stock outstanding at the time of such sale or issuance or such series of sales and/or issuances.

(ii) If a Fundamental Change is to occur, the Company will notify each holder of Preferred Stock in writing of such pending Fundamental Change not more than 60 days nor less than 40 days prior to the consummation thereof. The holder of holders of the Preferred Stock then outstanding may require the Company to redeem all or any portion of the Preferred Stock owned by such holder or holders at a price per Share such election within 20 days after receipt of notice from the Company. The Company will give prompt written notice of such election to the other holders of Preferred Stock (but in any event within 15 days prior

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to the consummation of the Fundamental Change, and each such holder will have until 5 days after the receipt of such notice to request redemption (by written notice given to the Company) of all or any portion of the Preferred Stock owned by such holder. Upon receipt of such election(s), the Company will be obligated to redeem the number of Shares specified therein at the time of the consummation of such Fundamental Change. If the Fundamental Change does not occur, all requests for redemption will be rescinded. The term "Fundamental Change" means (a) a sale or transfer of more than 25% of the assets of the Company on a consolidated basis in any transaction or series of related transactions (other than sales in the ordinary course of business) and (b) any merger or consolidation to which the Company is a party, except for a merger in which the Company is the surviving corporation and, after giving effect to such merger, the holders of the Company's outstanding capital stock (on a fully diluted basis) immediately prior to the merger will own the Company's outstanding capital stock (on a fully diluted basis) having a majority of the ordinary voting power to elect the Company's board of directors.



(iii) Redemptions made pursuant to this paragraph 4D will not relieve the Company of its obligation to redeem Preferred stock on the Scheduled Redemption Dates pursuant to paragraph 4A hereof.

4E. Redemption Price. For each Share of Preferred Stock which is to be redeemed, the Company will be obligated to pay to the holder thereof (upon surrender by such holder of the Company's principal office of the certificate representing such Share) an amount in immediately available funds (the "Redemption Price") equal to the Liquidation Value thereof. If the funds of the Company legally available for redemption of Shares are insufficient to redeem the total number of Shares to be redeemed, those funds which are legally available will be used to redeem the maximum possible number of Shares ratably among the holders of the Shares to be redeemed based upon the aggregate Liquidation Value of such Shares held by each such holder. At any time thereafter when additional funds of the Company are legally available for the redemption of Shares to be redeemed on a Redemption Date, such funds will immediately be used to redeem the balance of such Shares.

4F. Dividends After Redemption Date. No Share is entitled to any dividends accruing after the date on which the Redemption Price of such Share is paid. On such date all rights of the holder of such Shares will cease and such Share will not be deemed to be outstanding.

4G. Redeemed or Otherwise Acquired Shares. Any Shares which are redeemed or otherwise acquired by the Company will be canceled and will not be reissued, sold or transferred.

4H. Other Redemptions or Acquisitions. Neither the Company nor any Subsidiary will redeem or otherwise acquire any Preferred Stock, except as expressly authorized herein or pursuant to a purchase offer made pro-rata to all holders of Preferred Stock on the basis of the number of Shares owned by each such holder.

5. VOTING. Except as otherwise required by law, the holders of the Preferred Stock shall have no right to vote on matters to be voted on by the Company's stockholders.

6. RESTRICTIONS ON PAYMENTS OF DIVIDENDS AND REDEMPTIONS. Notwithstanding anything to the contrary contained herein or in the Preferred Stock Purchase Agreement, no dividends on the Preferred Stock shall be paid, and no redemption of the Preferred Stock shall be made, unless the payment of such dividend or the making of such redemption would not (A) render the Company "insolvent" (as defined in Title 11 of the United States Code, as capital for the business and transactions in which the Company is engaged or is about to engage or (C) render the Company unable to pay its debts as they mature. The foregoing provision shall survive termination of the Preferred Stock Purchase Agreement and shall be binding on the Company and the holders of Preferred Stock until such

time as all of the Preferred Stock has been retired. In addition, so long as the Loans (as defined in the Loan Agreement) have not been paid in full, and except as otherwise provided in the Loan Agreement, all financing arrangements between the Company and Glenfed Capital Corp., a California corporation ("Glenfed") have been terminated, no such dividend payment or redemption shall be made by the Company unless either:

(i) The Company has delivered to Glenfed a determination by a "Big Eight" accounting firm that such dividend payment, or redemption would not (A) render the Company "insolvent" (as defined in Title 11 of the United States Code, as amended), (B) leave the Company with an unreasonably small capital for the Business and transactions in which the Company is engaged or is about to engage or (C) render the Company unable to pay its debts as they mature; or

(ii) The Company has requested in writing that Glenfed deliver a statement of its calculation of the Company's solvency (a "Solvency Calculation Statement") to the Company which request shall have been actually received by Glenfed no less than thirty (30) days prior to the date upon which such dividend payment or redemption may first be made pursuant to the terms hereof, and either (x) no Solvency Calculation Statement shall have been received by the Company during the thirty (30) day period following the receipt by Glenfed of the request for such a Statement (a "Waiting Period") or (y) the Company shall have received, during the Waiting Period, a Solvency Calculation Statement signed by Glenfed, notifying the Company that, in Glenfed's reasonable business judgment, such dividend payment, or redemption would not (a) render the Company "insolvent" (as defined in Title 11 of the United States Code, as amended), (B) leave the Company with an unreasonably small capital for the business and transactions in which the Company is engaged or is about to engage or (C) render the Company unable to pay its debts as they mature; and setting forth Glenfed's calculations supporting such conclusions

If, during a Waiting Period, the Company receives a Solvency Calculation Statement that concludes that any of clauses (A), (B) or (C) above would be violated if a dividend payment or redemption were made, and setting forth Glenfed's calculations supporting such conclusion, such dividend payment or redemption may not be paid by the Company or accepted by Glenfed and the date upon which such dividend payment or redemption will then become due will be postponed for ninety (90) days, at which time such dividend payment or redemption will again be subject to the provisions of this Section. If the Company disagrees with Glenfed's conclusions contained in a Solvency Calculation Statement, the Company shall notify Glenfed in writing of such disagreement within twenty (20) days from the date on which the Company receives the Solvency Calculation Statement, in which event Glenfed and the Company shall submit to arbitration the issue of whether the conclusions in the Solvency Certificate were correct. Such arbitration shall be conducted in accordance with the rules of the American Arbitration Association with the costs of such arbitration proceeding to be paid by the losing party.

7. EVENTS OF NONCOMPLIANCE.

7A. Definition. An Event of Noncompliance will be deemed to have occurred if:

- (i) the Company fails to pay on any Dividend Reference Date the full amount of dividends then accrued on the Preferred Stock, whether or not such payment is legally permissible;
- (ii) the Company fails to make the redemption payment with respect to the Preferred Stock on the Redemption Date, whether or not such payment is legally permissible;
- (iii) the Company breaches or otherwise fails to perform or observe any other covenant or agreement set forth herein or in the Preferred Stock Purchase Agreement;
- (iv) any representation or warranty contained in the Preferred Stock Purchase Agreement, or any information required to be furnished to any holder of Preferred Stock pursuant to the Preferred Stock Agreement, or any writing furnished by the Company or any Subsidiary to any holder of Preferred Stock, is false or misleading in any material respect on the date made or furnished;
- (v) the Company or any Subsidiary makes an assignment for the benefit of creditors or admits in writing its inability to pay its debts generally as they become due; or in order, judgment or decree is entered adjudicating the Company or any Subsidiary bankrupt or insolvent; or any order for relief with respect to the Company or any Subsidiary is entered under the Federal Bankruptcy Code; or the Company or any Subsidiary petitions or applies to any tribunal for the appointment of a custodian, trustee, receiver or liquidator of the Company or any Subsidiary or of any substantial part of the assets of the Company or any Subsidiary, or commences any proceeding (other than a proceeding for the voluntary liquidation and dissolution of a Subsidiary) relating to the Company or any Subsidiary under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction; or any such petition or application is filed, or any such proceeding is commenced, against the Company or any Subsidiary and either (a) the Company or any such Subsidiary by any act indicates its approval thereof, consent thereto or acquiescence therein or (b) such petition, application or proceeding is not dismissed within 60 days;
- (vi) a judgment in excess of \$10,000 is rendered against the Company or any Subsidiary and, within 60 days after entry thereof, such judgment is not

discharged or execution thereof stayed pending appeal, or within 60 days after the expiration of any such stay, such judgment is not discharged; or

(vii) the Company or any subsidiary defaults in the performance of any obligation or agreement if the effect of such default is to cause an amount exceeding \$10,000 to become due prior to its stated maturity or to permit the holder or holders of any obligation to cause an amount exceeding \$10,000 to become due prior to its stated maturity.

7B. Consequences of Certain Events of Noncompliance.

(i) After the occurrence and during the continuance of one or more Events of Noncompliance, the dividend rate on the Preferred Stock will increase immediately by an increment of two percentage points. Any increase of the dividend rate resulting from the operation of this paragraph will terminate as of the close of business on the date on which no Event of Noncompliance exists.

(ii) If any Event of Noncompliance exists, each holder of Preferred Stock will also have any other rights which such holder may have been afforded under any contract or agreement at any time and any other rights which such holder may have pursuant to applicable law.

8. REGISTRATION OF TRANSFER. The Company will keep at its principal office a register for the registration of Preferred Stock. Upon the surrender of any certificate representing Preferred Stock at such place, the Company will, at the request of the record holder of such certificate, execute and deliver (at the Company's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of Shares represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of Shares as is requested by the holder of the surrendered certificate and will be substantially identical in form to the surrendered certificate, and dividends will accrue on the Preferred Stock represented by such new certificate from the date to which dividends have been fully paid on such Preferred Stock represented by the surrendered certificate.

9. REPLACEMENT. Upon receipt of evidence reasonably satisfactory to the Company (an affidavit of the registered holder will be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing the Preferred Stock, and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Company (provided that if the holder is an institutional investor its own agreement will be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Company will (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of Shares represented by such loss, stolen, destroyed or mutilated certificate and dated the date of such loss, stolen, destroyed or mutilated certificate, and dividends will accrue on the Preferred Stock represented by such new certificate from the

date to which dividends have been fully paid on such loss, stolen, destroyed or mutilated certificate.

10. DEFINITIONS.

"Common Stock" means the Company's Common Stock, par value \$.01 per share, and any capital stock of any class of the Company hereafter authorized which is not limited to a fixed sum or percentage of par or stated value in respect to the rights of the holders thereof to participate in dividends or in the distribution of assets upon any liquidation, dissolution or winding up of the Company.

"Junior Securities" means any of the Company's equity securities other than the Preferred Stock.

"Liquidation Value" of a Share will initially be equal to \$1.00 (the "Initial Liquidation Value"). The Liquidation Value of a Share as of any particular date after the date hereof will be the sum of the Initial Liquidation Value plus any unpaid dividends on such Share added to the Liquidation Value of such Share on any Dividend Reference Date and not thereafter paid; and, in the event of any liquidation, dissolution or winding up of the Company or the redemption of such Share, unpaid dividends on such Share will be added to the Liquidation Value of such Share on the payment date in any liquidation, dissolution or winding up or on the Redemption Date, as the case may be, accrued to the close of business on such payment date or Redemption Date.

"Loan Agreement" means the Loan Agreement as defined in the Preferred Stock Purchase Agreement.

"Person" means an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

"Preferred Stock Purchase Agreement" means the Preferred Stock Purchase Agreement, dated as of August 12, 1987, by and among the Company and Glenfed Capital Corp., as such agreement may from time to time be amended in accordance with its terms.

"Subsidiary" means any corporation of which the shares of stock having a majority of the general voting power in electing the board of directors are, at the time as of which any determination is being made, owned by the Company either directly or indirectly through Subsidiaries.

11. AMENDMENT AND WAIVER. No amendment, modification or waiver will be binding or effective with respect to any provision without the prior written consent of the holders of a majority of the Preferred Stock outstanding at the time such action is taken; provided that no change in the terms hereof may be accomplished by merger or consolidation of

the Company with another corporation unless the Company has obtained the prior written consent of the holders of the applicable percentage of the Preferred Stock then outstanding.

12. NOTICES. Except as otherwise expressly provided, all notices referred to herein will be in writing and will be delivered by registered or certified mail, return receipt requested, postage prepaid and will be deemed to have been given when so mailed (i) to the Company, as its principal executive offices and (ii) to any stockholder, at such holder's address as it appears in the stock records of the Company (unless otherwise indicated by any such holder).

#### ARTICLE FIFTH

The Secretary of State of the State of New York is hereby designated as the agent of the Corporation upon whom process against the Corporation may be served, and the post office address to which the Secretary of State shall mail a copy of any process against the Corporation served upon him is:

The Corporation  
2825 West 31st Street  
Chicago, IL 60623

#### ARTICLE SIXTH

The name and address of the Registered Agent which is to be the agent of the Corporation upon whom process against it may be served, are

C T Corporation System  
1633 Broadway  
New York, New York 10019

#### ARTICLE SEVENTH

The duration of the Corporation is perpetual.

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IN WITNESS WHEREOF, we have subscribed this document on the date set forth below and do hereby affirm, under the penalties of perjury, that the statements contained therein have been examined by us and are true and correct.

Dated: May 30, 1997

By: Randolph S. Kuehn  
Name: RANDOLPH S. KUEHN  
Title: Secretary & Vice President

By: Norman Spep  
Name: Norman Spep  
Title: President

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STATE OF NEW YORK  
DEPARTMENT OF STATE

FILED JUN 26 1997

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BY: JAH

New York

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RESTATED CERTIFICATE OF INCORPORATION

AMERICAN STEEL-WOOL MFG. CO., INC.

Under Section 807 of the Business Corporation Law

FILED  
JUN 25 11 51 AM '97  
BILLED

FILED BY: AMY B. GOTTESMANN, LEGAL ASST  
KIRKLAND & ELLIS  
655 FIFTEENTH STREET, N.W.  
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