

289762

ARTICLES OF MERGER
Merger Sheet

MERGING:

CARBONIC INDUSTRIES CORPORATION, a Florida corporation, 289762

INTO

AIRGAS CARBONIC INDUSTRIES, INC., a Delaware corporation not qualified
in Florida.

File date: June 4, 1997

Corporate Specialist: Joy Moon-French

Document Number Only

289762

C T CORPORATION SYSTEM

Requestor's Name

660 East Jefferson Street

Address

Tallahassee, Florida 32301

City

State

Zip

Phone

CORPORATION(S) NAME

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Carbonic Industries Corporation

merged into:

Airgas Carbonic Industries, Inc

☐ Profit

☐ NonProfit

☐ Limited Liability Company

☐ Foreign

☐ Amendment

☐ Dissolution/Withdrawal

☒ Merge

☐ Mark

☐ Limited Partnership

☐ Annual Report

☐ Other

☐ Reinstatement

☐ Reservation

☐ Change of Name

☐ Limited Liability Partnership

☐ Fictitious Name

☐ Certified Copy

☐ Photo Copies

☐ CUS

☐ Call When Ready

☐ Call if Problem

☐ After 4:30

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☒ Pick Up

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF MERGER
OF
CARBONIC INDUSTRIES CORPORATION
WITH AND INTO
AIRGAS CARBONIC INDUSTRIES, INC.

The undersigned corporations do hereby certify with respect to the merger of Carbonic Industries Corporation, a Florida corporation, with and into Airgas Carbonic Industries, Inc., a Delaware corporation (the "Merger"), that:

1. The plan of merger among Airgas, Inc., Airgas Carbonic Industries, Inc. and Carbonic Industries Corporation is attached to and incorporated into these Articles of Merger as Exhibit A (the "Plan of Merger").
2. The Plan of Merger was adopted by Airgas, Inc. as the sole shareholder of Airgas Carbonic Industries, Inc., the surviving corporation, on February 21, 1997.
3. The Plan of Merger was adopted by the shareholders of Carbonic Industries Corporation, the merging corporation, on May 28, 1997.
4. These Articles of Merger shall be effective at 11:59 p.m. Eastern time on June 4, 1997.

DULY EXECUTED and delivered by a duly authorized officer of each of the surviving corporation and the merging corporation, respectively, on June 4, 1997.

AIRGAS CARBONIC INDUSTRIES, INC.

CARBONIC INDUSTRIES CORPORATION

By: Andrew R. Cichocki
Andrew R. Cichocki
Vice President

By: J. Vernon Hinely
J. Vernon Hinely
Chairman and President

* * * * *

EXHIBIT A

PLAN OF MERGER BY AND AMONG AIRGAS, INC. AND AIRGAS CARBONIC INDUSTRIES, INC. AND CARBONIC INDUSTRIES CORPORATION

This is a **PLAN OF MERGER** (this "Plan"), dated as of March 12, 1997, by and among **AIRGAS, INC.** ("Airgas"), a Delaware corporation, **AIRGAS CARBONIC INDUSTRIES, INC.**, a Delaware corporation ("Sub") and **CARBONIC INDUSTRIES CORPORATION**, a Florida corporation (the "CIC"), with respect to the acquisition of CIC by Airgas through the merger of CIC with and into Sub (the "Merger"), and by which such parties, in consideration of the mutual representations, warranties, covenants and agreements contained in this Plan, and intending to be legally bound, agree as follows:

ARTICLE 1 THE MERGER

1.1 **The Merger.** Upon the terms and subject to the conditions set forth in this Plan and in accordance with the applicable provisions of the Delaware General Corporation Law, as amended (the "DGCL"), and the Florida Business Corporation Act, as amended (the "FBCA"), respectively, CIC shall be merged with and into Sub.

1.2 **Closing Date and Location.** The closing of the Merger (the "Closing") will take place at the offices of Sutherland, Asbill & Brennan, 999 Peachtree Street, N.E., Atlanta, Georgia 30309-3996, on June 4, 1997. The Merger shall become effective as of the close of business on the date the filings are made pursuant to Section 1.3(d) (the time the Merger becomes effective being the "Merger Effective Time"). The date on which the Merger Effective Time occurs is the "Closing Date."

1.3 **Closing Deliveries and Actions.** The Closing shall consist of the parties providing to each other such proof or indication of satisfaction of the conditions set forth in Article 9 of the Agreement and Plan of Merger by and among Airgas, Sub and CIC, dated as of March 12, 1997, as amended (the "Merger Agreement") as they may have reasonably requested and, subject to the satisfaction of such conditions (or waiver by the party entitled to waive such conditions), the following:

(a) the certificates, letters and opinions required by Article 9 of the Merger Agreement shall be delivered,

(b) the appropriate officers of Sub and CIC shall execute and deliver a Certificate of Merger ("Certificate of Merger") and Articles of Merger ("Articles of Merger") meeting the requirements of DGCL §252 and FBCA §607.1105, respectively,

(c) Airgas shall deliver the Merger Consideration to the Exchange Agent (as hereinafter defined) as provided in Section 2.6 and

(d) the parties shall file the Certificate of Merger and Articles of Merger with the Delaware and Florida Secretaries of State, respectively.

None of the foregoing actions shall be deemed to have been taken unless and until all of them have been taken (and the Articles of Merger and Certificate of Merger shall not be filed until all of such other actions are taken). After the Closing, payments shall be made to CIC Shareholders in accordance with Section 2.8.

1.4 Effects of the Merger. The Merger shall have the effects set forth in Article 2 and in the DGCL and the FBCA. Without limiting the foregoing, at the Merger Effective Time: (a) CIC shall merge with and into Sub; (b) the separate existence of CIC shall cease; (c) the stock that is to be converted pursuant to Article 2 shall be converted as provided in Article 2; (d) the former holders of such stock are entitled only to the rights provided in Article 2 or rights under FBCA §607.1302 (subject to FBCA §607.1320); and (e) the Merger shall otherwise have the effect provided under the applicable laws of the States of Delaware and Florida (including DGCL §252 and FBCA §607.1106).

1.5 Certificate of Incorporation. The certificate of incorporation of Sub, the surviving corporation, as in effect immediately prior to the Merger Effective Time shall continue thereafter to be Sub's certificate of incorporation until amended in accordance with applicable law.

1.6 By-Laws. The by-laws of Sub, the surviving corporation, as in effect immediately prior to the Merger Effective Time shall continue to be Sub's by-laws thereafter until amended in accordance with such by-laws and applicable law.

1.7 Directors and Officers of the Surviving Corporation. The directors and officers of Sub immediately prior to the Merger Effective Time shall, from and after the Merger Effective Time, be the directors and officers, respectively, of Sub until their successors shall have been duly elected or appointed or qualified or until their earlier death, resignation or removal in accordance with Sub's Certificate of Incorporation and by-laws and any applicable contracts; provided, however, that J. Vernon Hinely will be the Chairman of the Board of Sub and John A. Toepke will be an Executive Vice President of Sub from and after the Merger Effective Time, each until his successor shall have been duly elected or appointed or qualified or until his death, resignation or removal in accordance with Sub's by-laws and applicable contracts.

1.8 Tax Status of the Merger. The Merger is intended to be a reorganization within the meaning of IRC §§ 368(a)(1)(A) and (a)(2)(D), respectively, and this Plan is intended to be a "plan of reorganization" within the meaning of the regulations promulgated under IRC §§ 368(a)(1)(A) and (a)(2)(D). Neither CIC, Airgas nor Sub shall take any position inconsistent with such intention.

ARTICLE 2
EFFECT OF THE MERGER ON THE CAPITAL STOCK OF THE PARTIES;
EXCHANGE OF CERTIFICATES

2.1 Certain Definitions.

(a) Aggregate Class A Merger Consideration. The "Aggregate Class A Merger Consideration" is determined by adding (i) \$35,775,699 plus (ii) the amount determined by multiplying \$43 by the number of Exercised Option Shares.

(b) Aggregate Class B Merger Consideration. The "Aggregate Class B Merger Consideration" is \$5,125,000.

(c) Airgas Stock Price. "Airgas Stock Price" shall be deemed to be \$15.75 per share of Airgas Common Stock.

(d) Class A Divisor. The "Class A Divisor" is the number of shares of CIC Class A Common Stock that are issued and outstanding immediately prior to the Merger Effective Time.

(e) Class A Share Value. The "Class A Share Value" is an amount determined by dividing (i) the Aggregate Class A Merger Consideration by (ii) the Class A Divisor.

(f) Class B Divisor. The "Class B Divisor" is the number of shares of CIC Class B Common Stock that are issued and outstanding immediately prior to the Merger Effective Time.

(g) Class B Share Value. The "Class B Share Value" is an amount determined by dividing (i) the Aggregate Class B Merger Consideration by (ii) the Class B Divisor.

(h) Exercised Option Shares. "Exercised Option Shares" means the number of shares of CIC Class A Common Stock into which CIC Stock Options (as defined in Section 2.8 below) are converted after the date of this Plan and before the Merger Effective Time.

(i) Form S-4 Effective Date. "Form S-4 Effective Date" means the date as of which the Registration Statement to be filed with the SEC with respect to this Plan shall have been declared effective by the SEC.

2.2 Effect on Capital Stock. As of the Merger Effective Time, by virtue of the Merger and without any action on the part of the holders of the issued and outstanding shares of CIC Common Stock or of any shares of capital stock of Sub:

(a) Capital Stock of Sub. All issued and outstanding shares of Sub capital stock shall continue to be issued and outstanding after the Merger Effective Time.

(b) Conversion of Class A CIC Common Stock. Each share of CIC Class A Common Stock that is issued and outstanding immediately prior to the Merger Effective Time (other than shares to be canceled pursuant to Section 2.2(e) and Dissenting Shares (as hereinafter defined)) shall be converted into the following:

(i) Cash for Fees & Expenses Fund: One quarter of one percent (0.25%) of the Class A Share Value (the "Class A F & E Amount") to become part of the Fees & Expense Fund as an integral part of the conversion of CIC Common Stock pursuant to this Article 2, to be held and disbursed by the CIC Shareholders' Agent Committee as provided in Article 8 of the Merger Agreement; provided, however, that this clause (i) does not apply to shares of CIC Class A Common Stock that are owned (of record as of the date of this Plan) by any person who owns (of record as of the date of this Plan) five hundred (500) or fewer such shares in the aggregate ("De Minimis Shares"); and either

(ii) Cash: if a share of CIC Class A Common Stock is subject to a valid Cash Election, then it shall be converted into the right to receive an amount of cash equal to the Class A Share Value minus (except in the case of De Minimis Shares) the Class A F & E Amount; or

(iii) Airgas Common Stock: if a share of CIC Class A Common Stock is not subject to a valid Cash Election, then it will be converted into that number of shares of Airgas Common Stock determined by dividing (A) an amount determined by subtracting (except in the case of De Minimis Shares) the Class A F & E Amount from the Class A Share Value by (B) the Airgas Stock Price; provided, however, that:

(1) No Fractional Shares: the aggregate number of shares of Airgas Common Stock into which shares of CIC Class A Common Stock owned by each CIC Shareholder shall be converted shall, if not a whole number, be rounded up to the next whole number of shares of Airgas Common Stock (such CIC Shareholder's "Class A Stock Consideration");

(2) Lockup/Escrow Shares: an amount of each CIC Shareholder's Class A Stock Consideration (rounded for each such CIC Shareholder up to the next whole number of shares of Airgas Common Stock) equal to fifty-five percent (55%) (subject to adjustment as provided in Section 2.9) of the number of shares of Airgas Common Stock into which such CIC Shareholder's shares of CIC

Class A Common Stock would be converted pursuant to this clause (iii), assuming for purposes of this clause (2) that each such CIC Shareholder shall not have made any Cash Election or contribution to the Class A F & E Amount, shall be held and disbursed pursuant to the Lockup/Escrow Agreement in substantially the form of Exhibit 2.2(b) (the "Lockup/Escrow Agreement"), the execution of such agreement by the CIC Shareholders' Agent Committee being evidence of the implementation of the foregoing as an integral part of the conversion of the CIC Common Shares pursuant to this Article 2; provided, however, that this clause (2) shall not apply to De Minimis Shares; and

(3) Other Airgas Common Stock: a CIC Shareholder's remaining Class A Stock Consideration not subject to clause (2) shall be delivered to such CIC Shareholder in accordance with the provisions of this Plan;

all subject to the rights and obligations of the CIC Shareholders' Agent Committee as set forth in Article 8 of the Merger Agreement (and without limiting the foregoing, the CIC Shareholders' Agent Committee, whose power and authority are set forth in Article 8 of the Merger Agreement, is established pursuant to this Article 2 as an integral part of the manner and basis of converting the CIC Common Stock).

(c) Conversion of CIC Class B Common Stock. Each share of CIC Class B Common Stock that is issued and outstanding immediately prior to the Merger Effective Time (other than shares to be canceled pursuant to Section 2.2(e) hereof and Dissenting Shares) shall be converted into the right to receive the following:

(i) Cash for Fees & Expenses Fund: One quarter of one percent (0.25%) of the Class B Share Value (the "Class B F&E Amount") to become part of the Fees & Expense Fund as an integral part of the conversion of CIC Common Stock pursuant to this Article 2 to be held and disbursed by the CIC Shareholders' Agent Committee as provided in Article 8 of the Merger Agreement; and either

(ii) Cash: to the extent that such share, together with other shares of CIC Class B Common Stock owned by a holder, equals forty-five percent (45%) (subject to adjustment as provided in Section 2.9) of such holder's CIC Class B Common Stock (rounded down to the nearest whole number of such holder's CIC Class B Common Stock), the right to receive an amount of cash equal to the Class B Share Value minus the Class B F&E Amount; or

(iii) Airgas Common Stock: to the extent not covered by clause (ii) above, that number of shares of Airgas Common Stock determined by dividing (A) the amount determined by subtracting the Class B F&E Amount from the Class B Value (B) by the Airgas Stock Price; provided, however, that:

(1) No Fractional Shares: the aggregate number of shares of Airgas Common Stock into which shares of CIC Class B Common Stock owned by each CIC Shareholder shall be converted shall, if not a whole number, be rounded up to the next whole number of shares of Airgas Common Stock (such CIC Shareholder's "Class B Stock Consideration") and;

(2) Lockup/Escrow Shares: each CIC Shareholder's Class B Stock Consideration shall be held and disbursed pursuant to the Lockup/Escrow Agreement, the execution of such agreement by the CIC Shareholders' Agent Committee being evidence of the implementation of the foregoing integral part of the conversion of the CIC Common Shares pursuant to this Article 2;

all subject to the rights and obligations of the CIC Shareholders' Agent Committee as set forth in Article 8 of the Merger Agreement (and without limiting the foregoing, the CIC Shareholders' Agent Committee, whose power and authority are set forth in Article 8 of the Merger Agreement, is established pursuant to this Article 2 as an integral part of the manner and basis of converting the CIC Common Stock).

(d) Other. At the Merger Effective Time, all shares of CIC Common Stock shall no longer be outstanding and shall automatically be canceled and retired and shall cease to exist, and each holder of a certificate representing any shares of CIC Common Stock shall cease to have any rights with respect thereto, except the right to receive the consideration set forth in this Article 2 (the "Merger Consideration") for each share of CIC Common Stock held by such holder. Without limiting the foregoing, any certificates delivered to CIC after the Merger Effective Time shall be delivered to the Exchange Agent and treated as a delivery pursuant to Section 2.7.

(e) Cancellation of Certain Shares of CIC Common Stock. All shares of CIC Common Stock, if any, that are owned, directly or indirectly, by CIC as of the Merger Effective Time shall be canceled and retired and shall cease to exist and no Merger Consideration shall be delivered in exchange therefor.

(f) Recapitalizations, Etc. If any recapitalization, reclassification, merger, consolidation, split-up or reverse stock split with respect to Airgas Common Stock occurs after the date of this Plan and prior to the Merger Effective Time, then an appropriate adjustment to the Merger Consideration to be issued in the Merger shall be made.

2.3 Class A Cash Election Procedure.

(a) Generally. Each CIC Class A Shareholder (other than holders of CIC Common Stock to be canceled as set forth in Section 2.2(e) and Dissenting Shares) shall have the right to specify in a request made in accordance with the provisions of this Section 2.3 (herein called a "Cash Election") the percentage (not in excess of forty-five percent (45%), rounded down so that the election applies to the next lower whole share and subject to adjustment as provided in Section

2.9, the "Maximum Cash Percentage") of his shares of CIC Class A Common Stock that he desires to have converted into the right to receive cash in the Merger; provided, however, that the foregoing Maximum Cash Percentage limitation does not apply to De Minimis Shares.

(b) Distribution of Forms. CIC shall include a document in form and substance agreed to by CIC and Airgas (the "Form of Cash Election/Transmittal Letter") with the distribution to the CIC Shareholders of the Proxy Statement/Prospectus (as defined in Section 3.30 of the Merger Agreement). The Form of Cash Election/Transmittal Letter will be designed among other things to permit the CIC Class A Shareholders to exercise their right to make a Cash Election prior to the Cash Election Deadline (as defined below). Airgas shall use all reasonable efforts to make available on a prompt basis a Form of Cash Election/Transmittal Letter to any CIC Class A Shareholder who requests such form following the initial mailing of the Forms of Cash Election/Transmittal Letters and prior to the Cash Election Deadline.

(c) Delivery of Cash Elections. Any Cash Election shall have been made properly only if The Bank of New York (the "Exchange Agent") shall have received, by 5:00 p.m. local time in New York, New York on the date of the Cash Election Deadline, a Form of Cash Election/Transmittal Letter properly completed and signed. As used herein, "Cash Election Deadline" means the date mutually agreed to in writing by Airgas and CIC (the "Cash Election Deadline Letter") as the last day on which Forms of Cash Election/Transmittal Letters will be accepted; provided, however, that such date shall be a business day no later than five (5) business days prior to the Closing Date; provided, further, that Airgas shall have the right to set a later date of, or to extend, the Cash Election Deadline so long as such later date is no later than the Closing Date.

(d) Limitations on Cash Election. Any Cash Election that requests that more than the Maximum Cash Percentage of the CIC Class A Shareholder's CIC Class A Common Stock be converted into cash shall be deemed a request that the Maximum Cash Percentage be converted into cash.

(e) Irrevocable. Each Form of Cash Election/Transmittal Letter shall become irrevocable upon receipt by the Exchange Agent (unless the Exchange Agent, in its sole and absolute discretion, permits its amendment or withdrawal).

(f) Rules. Airgas and CIC (before the Merger) or the Shareholders' Agent Committee (after the Merger) shall jointly have the right to make rules and decisions (whether or not covered by such rules), not inconsistent with the terms of this Plan, governing the validity of the Forms of Cash Election/Transmittal Letters.

2.4 Dissenting Shares. Notwithstanding anything in this Plan to the contrary, but only to the extent required by Chapter 607 of the FBCA, shares of CIC Common Stock that are issued and outstanding immediately prior to the Merger Effective Time and are held by CIC Shareholders who dissent from the Merger ("Dissenting Shares") shall not be converted into the right to receive

Merger Consideration, but shall instead become the right to receive such consideration as may be determined to be due such holder of Dissenting Shares ("Dissenting Shareholder") pursuant to Chapter 607 of the FBCA; provided, however, that if any Dissenting Shareholder fails to establish and perfect such shareholder's entitlement to dissenters' rights as provided by Chapter 607 of the FBCA, then such Dissenting Shareholder shall forfeit dissenters' rights with respect to such Dissenting Shares and such shares shall thereupon be deemed to have been converted into the Merger Consideration to which such Dissenting Shares would otherwise have been converted pursuant to Section 2.2, subject to all other terms and conditions of this Plan as if such CIC Shareholder had not dissented or attempted to dissent (including the requirement that such CIC Shareholder make the Shareholder Deliveries and that a portion of such Merger Consideration may be deliverable to the Lockup/Escrow Agent) (as such term is defined in the Lockup/Escrow Agreement). CIC shall give Airgas prompt notice of any written notices of any demand received by CIC for an appraisal of CIC Common Stock, and CIC shall undertake in good faith to keep Airgas reasonably informed of any other negotiations and proceedings with respect to demands for dissenters' rights under Chapter 607 of the FBCA. CIC will not, except with the prior written consent of Airgas, settle or offer to settle any such demand.

2.5 CIC Stock Options.

(a) **Generally.** At the Merger Effective Time, by virtue of the Merger and without any further action on the part of Airgas, CIC or the holder of any unexpired and unexercised option to purchase shares of CIC Common Stock granted under the CIC 1994 Stock Option Plan (a "CIC Stock Option"), each CIC Stock Option shall be assumed by Airgas in such manner that Airgas is a corporation "assuming a stock option in a transaction to which IRC § 424(a) applied" within the meaning of IRC § 424 (or to the extent that IRC § 424 does not apply to any such CIC Stock Options, would be such a corporation were IRC § 424 applicable to such CIC Stock Options).

(b) **Specifically.** Without being limited by the foregoing, at the Merger Effective Time, by virtue of the Merger and without any further action on the part of Airgas, CIC or the holder of any CIC Stock Option, each CIC Stock Option shall automatically become exercisable for that number of shares of Airgas Common Stock equal to the number of shares of Airgas Common Stock that would have been issued in the Merger with respect to such CIC Stock Option had such option (assuming full vesting) been exercised immediately prior to the Merger Effective Time (rounded up to the nearest whole number of shares of Airgas Common Stock), assuming no Cash Election and no contribution to the Fees & Expense Fund and (ii) at a price per share of Airgas Common Stock equal to the per share option exercise price specified in the CIC Stock Option multiplied by a fraction, the numerator of which is the Airgas Stock Price and the denominator of which is Forty Three Dollars (\$43) (with the result rounded to the nearest whole cent). An example of the number of shares of Airgas Common Stock issuable after the Merger pursuant to the CIC Stock Options in accordance with the terms hereof is set forth in Exhibit 2.5(b) to the Merger Agreement.

(c) **Other Effects.** At the Merger Effective Time, by virtue of the Merger and without any further action on the part of Airgas, CIC or any holder of any CIC Stock Option: (i) all

references to CIC in the CIC Stock Option Plan shall be deemed to refer to Airgas; (ii) Airgas shall assume the CIC 1994 Stock Option Plan and all of CIC's obligations with respect to the CIC Stock Options, as so amended by virtue of the foregoing; and (iii) Airgas shall issue to each holder of any outstanding CIC Stock Option a document evidencing the foregoing assumption by Airgas. It is the intention of the parties that the CIC Stock Options assumed by Airgas will qualify as incentive stock options as defined in IRC § 422 to the extent that they so qualified immediately prior to the Merger Effective Time.

(d) Registration Requirements. With respect to each share of Airgas Common Stock underlying the CIC Stock Options assumed pursuant to the foregoing, Airgas shall file and use its best efforts to keep current a registration statement on Form S-8 or other appropriate form for as long as any such option remains outstanding.

2.6 Payments to Exchange Agent. At or prior to the Closing, Airgas shall make the following deliveries to the Exchange Agent in trust for the benefit of the CIC Shareholders (and Airgas shall cause the Exchange Agent to make the corresponding deliveries to the CIC Shareholders and the Lockup/Escrow Agent, as applicable, promptly after the Closing):

(a) Cash Merger Consideration. An amount of cash equal to the total amount of cash consideration due to the CIC Shareholders as determined pursuant to Section 2.2 above;

(b) Airgas Common Shares -- For Lockup/Escrow. Airgas share certificates made in the respective names of the CIC Shareholders, each for the respective number of shares of Airgas Common Stock into which such CIC Shareholder's shares of CIC Common Stock shall have been converted and are subject to the Lockup/Escrow as provided in Section 2.2 above ("Lockup/Escrow Shares"); and

(c) Airgas Common Shares -- For CIC Shareholders. Airgas share certificates made in the respective names of the CIC Shareholders, each for the respective number of shares of Airgas Common Stock into which such CIC Shareholder's shares of CIC Common Stock shall have been converted and are not subject to the Lockup/Escrow as provided in Section 2.2 above ("Non-Lockup Shares").

2.7 CIC Shareholder Deliveries. No CIC Shareholder shall be entitled to receive consideration pursuant to this Plan unless and until the following deliveries are made to the Exchange Agent (the "Shareholder Deliveries"):

(a) Transmittal Letter. In the case of a CIC Class A Shareholder, a Form of Cash Election/Transmittal Letter, and in the case of a CIC Class B Shareholder, a transmittal letter in form and substance agreed to by CIC and Airgas (the "Class B Transmittal Letter"), in each case duly executed by such CIC Shareholder (such deliveries, collectively, the "Transmittal Letters");

(b) Share Certificates, Etc. Share certificates representing the CIC Common Stock in the name of such CIC Shareholder (or an affidavit reasonably satisfactory to Airgas regarding the loss, theft or destruction of such share certificates).

2.8 Payments to CIC Shareholders. As soon as practicable after the later of (a) the Merger Effective Time or (b) its receipt of a CIC Shareholder's Specified Deliveries (even if such receipt occurs after the second anniversary of the Closing), the Exchange Agent shall make the following distributions with respect to such CIC Shareholder and if such deliveries are made with respect to a portion of such CIC Shareholder's CIC Common Stock, the distribution shall be made with respect to those shares):

(a) Cash to the CIC Shareholder. To such CIC Shareholder, a bank check or wire transfer, as requested by such CIC Shareholder in its Cash Election (or if not so specified, a bank check), in an amount equal to the cash consideration into which such CIC Shareholder's CIC Common Stock was converted pursuant to Section 2.2. In no event shall the holder of any surrendered certificates be entitled to receive interest on any of the cash consideration to be received in the Merger that is paid within a reasonable time after such payment is due.

(b) Airgas Common Shares to the CIC Shareholder. To such CIC Shareholder, a share certificate representing the number of Non-Lockup Shares into which such CIC Shareholders' shares of CIC Common Stock were converted in the Merger pursuant to Section 2.2.

(c) Airgas Common Shares to the Lockup/Escrow Agent. To the Lockup/Escrow Agent, a share certificate representing the number of Lockup/Escrow Shares into which each CIC Shareholders' shares of CIC Common Stock were converted in the Merger pursuant to Section 2.2.

(d) Class A F&E Amount and Class B F&E Amount. To the CIC Shareholders' Agent Committee, cash in the amount of the Class A F&E Amount and the Class B F&E Amount in amounts determined in accordance with Section 2.2.

(e) Transfers; Escheat. If a check is to be issued, wire transfer made payable or Airgas Common Stock certificate is to be issued in the name of a person other than the person in whose name the certificates for the shares of CIC Common Stock surrendered for exchange therefor are registered, it shall be a condition of the exchange that the person requesting such exchange shall pay to the Exchange Agent any transfer or other taxes required by reason of issuance of such check, wire transfer or stock certificates to a person other than the registered holder of the certificates surrendered, or shall establish to the reasonable satisfaction of the Exchange Agent that such tax has been paid or is not applicable. Notwithstanding the foregoing, neither the Exchange Agent nor any party hereto shall be liable to a CIC Shareholder for any amount paid to a public official pursuant to any applicable abandoned property, escheat or similar law.

(f) Dividends; Distributions. No dividends or distributions that have been declared will be paid to persons entitled to receive certificates for shares of Airgas Common Stock

until such persons surrender their certificates for shares of CIC Common Stock (or an affidavit reasonably satisfactory to Airgas regarding the loss, theft or destruction of such share certificates), at which time all such dividends shall be paid. In no event shall the persons entitled to receive such dividends be entitled to receive interest on such dividends that are paid within a reasonable time after such payment is due. No interest shall be payable on cash payments made pursuant to this Article 2 within a reasonable time after such payment is due.

2.9 Adjustments to Cash Merger Consideration. Notwithstanding anything in this Plan to the contrary, if the Cash Elections (treating Dissenting Shares as if a valid one hundred percent (100%) Cash Election were made with respect to such shares) plus cash paid to CIC Class B Shareholders would otherwise result in the Aggregate Cash Consideration exceeding the Aggregate Stock Consideration, then each CIC Shareholders' Unadjusted Cash Percentage will be decreased pro rata on a basis proportionate with all of the other CIC Shareholders' Unadjusted Cash Percentages until the Aggregate Stock Consideration is equal to or exceeds the Aggregate Cash Consideration; provided, however, that no CIC Shareholder's Adjusted Cash Percentage shall be more than two percentage points lower than his Unadjusted Cash Percentage; and provided further that Cash Elections with respect to DeMinimis Shares are not subject to any adjustment. If a CIC Class A Shareholder's Unadjusted Cash Percentage is adjusted pursuant to the foregoing, then the percentage of his Class A Stock Consideration subject to the Lockup/Escrow Agreement pursuant to Section 2.2 (b)(iii)(2) (using the same assumptions set forth therein) shall be increased by an amount equal to the amount determined by subtracting his Adjusted Cash Percentage from his Unadjusted Cash Percentage. As an illustration, if a Class A CIC Shareholders' Cash Election is reduced from forty-five percent (45%) to forty-four percent (44%), then his lockup/escrow percentage will increase from fifty-five percent (55%) to fifty-six percent (56%). The following definitions are used in this Section 2.9:

(a) "Adjusted Cash Percentage" means the percentage of a CIC Shareholders' portion of the Aggregate Merger Consideration that is payable to him promptly after the Closing in cash after any adjustments provided in this Section 2.9.

(b) "Aggregate Cash Consideration" means the amount of Aggregate Merger Consideration payable promptly after the Closing in cash pursuant to this Plan.

(c) "Aggregate Merger Consideration" means, collectively the Aggregate Class A Merger Consideration and the Aggregate Class B Merger Consideration.

(d) "Aggregate Stock Consideration" means the amount of Aggregate Merger Consideration payable promptly after the Closing in Airgas Common Stock pursuant to this Plan.

(e) "Unadjusted Cash Percentage" means, in the case of a CIC Class A Shareholder, the otherwise valid cash percentage elected pursuant to his Cash Election and, in the case of a CIC Class B Shareholder, forty-five percent (45%).

* * * * *