State of Delaware

Office of Secretary of State

I, MICHAEL HARKINS, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AGREEMENT OF MERGER OF "CATERPILLAR TRACTOR CO." A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF CALIFORNIA, MERGING WITH AND INTO "CATERPILLAR INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE UNDER THE NAME OF "CATERPILLAR INC." AS RECEIVED AND FILED IN THIS OFFICE THE TWENTY-SECOND DAY OF MAY, A.D. 1986, AT 1 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CORPORATION SHALL BE GOVERNED BY LAWS OF THE STATE OF DELAWARE.

Michael Harkins, Secretary of State

AUTHENTICATION: 0829136

DATE: 05/22/1986

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CATERPILLAR INC.

AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER (hereinafter called the "Merger Agreement") is made on May 5, 1986, by and between Caterpillar Tractor Co., a California corporation ("Caterpillar California"), and Caterpillar Inc., a Delaware corporation ("Caterpillar Delaware"). Caterpillar California and Caterpillar Delaware are sometimes referred to as the "Constituent Corporations."

The authorized capital stock of Caterpillar California consists of 5,000,000 shares of preferred stock without par value, and 200,000,000 shares of common stock without par value and Caterpillar Delaware has authority to amend its certificate of incorporation as provided in this Merger Agreement and, upon such amendment, the authorized capital stock of Caterpillar Delaware will consist of 5,000,000 shares of preferred stock, $1.00 par value, and 200,000,000 shares of common stock, $1.00 par value. The directors of the Constituent Corporations deem it advisable and to the advantage of said corporations that Caterpillar California merge into Caterpillar Delaware upon the terms and conditions herein provided.

NOW, THEREFORE, the parties do hereby adopt the plan of reorganization encompassed by this Merger Agreement and do hereby agree that Caterpillar California shall merge into Caterpillar Delaware on the following terms, conditions and other provisions:

I. TERMS AND CONDITIONS

1.1 Merger. Caterpillar California shall be merged with and into Caterpillar Delaware, and Caterpillar Delaware shall be the surviving corporation (the "Surviving Corporation") effective upon the date when this Merger Agreement is filed with the Secretary of State of the State of Delaware (the "Effective Date").

1.2 Succession. On the Effective Date, Caterpillar Delaware shall succeed to all of the rights, privileges, powers and property, including without limitation all rights, privileges, franchises, patents, trademarks, licenses, registrations and other assets of every kind and description, of Caterpillar California in the manner of and as more fully set forth in Section 259 of the General Corporation Law of the State of Delaware.

1.3 Common Stock of Caterpillar California and Caterpillar Delaware. Upon the Effective Date, by virtue of the merger and without any further action on the part of the Constituent Corporations or their shareholders, (i) each share of common stock of Caterpillar California no par value and issued and outstanding immediately prior thereto shall be changed and converted into one fully paid and nonassessable share of the common stock of Caterpillar Delaware, par value of $1.00 per share; and (ii) each share of common stock of Caterpillar Delaware no par value and issued and outstanding immediately prior thereto shall be cancelled and returned to the status of authorized but unissued shares.

1.4 Stock Certificates. On and after the Effective Date, all of the outstanding certificates which prior to that time represented shares of the common stock of Caterpillar California shall be deemed for all purposes to evidence ownership of and to represent the shares of Caterpillar Delaware into which the shares of Caterpillar California represented by such certificates have been converted as herein provided and shall be so registered on the books and records of Caterpillar Delaware or its transfer agents. The registered owner of any such outstanding stock certificate shall, until such certificate shall have been surrendered for transfer or conversion or otherwise accounted for to Caterpillar Delaware or its transfer agent, have and be entitled to exercise any voting and other rights with respect to and to receive any dividend and other distributions upon the shares of Caterpillar Delaware evidenced by such outstanding certificate as above provided.

1.5 Options. Upon the Effective Date, Caterpillar Delaware will assume and continue all of Caterpillar California's stock option plans, including but not limited to its 1970 Stock Option Plan and 1977 Stock Option Plan, and the outstanding and unexercised portions of all options to buy common stock of Caterpillar California shall become options for the same number of shares of common stock of Caterpillar Delaware with no other changes in the terms and conditions of such options, including exercise prices, and effective upon the Effective Date, Caterpillar Delaware hereby assumes the outstanding and unexercised portions of such options and the obligations of Caterpillar California with respect thereto.

1.6 Employee Stock Purchase Plans. On the Effective Date, Caterpillar Delaware will assume and continue all of Caterpillar California's employee stock purchase plans, including but not limited to its Employees' Investment Plan, its Employee Stock Ownership Plans and its profit sharing plans, and any and all outstanding rights to purchase shares of Caterpillar California's common stock shall become rights to purchase shares of Caterpillar Delaware's common stock with no changes in the terms of such employee stock purchase plans being required.

1.7 Convertible Subordinated Debentures. Upon the Effective Date, the conversion privilege under the 5-1/2% Convertible Subordinated Debentures due June 30, 2000, issued by Caterpillar California shall relate to one share of common stock of Caterpillar Delaware for each share of Caterpillar California's common stock to which such conversion privilege related immediately before the Effective Date, such conversion privilege to be thereupon exercisable upon and otherwise subject to the same terms and conditions including, without limitation, conversion price, which applied with respect to the conversion privilege as of the Effective Date. Caterpillar Delaware will cause to be executed and delivered to the Trustee under the Indenture dated as of May 1, 1975, between Caterpillar California and The Chase Manhattan Bank (National Association) as Trustee, such documents as may be requested by Caterpillar California or by such Trustee, including, without limitation, any supplemental indenture under Sections 5.06 and 12.01 of said Indenture.

II. CHARTER DOCUMENTS, DIRECTORS AND OFFICERS

2.1 Certificate of Incorporation and Bylaws. From and after the Effective Date, the certificate of incorporation of Caterpillar Delaware shall be amended and restated to read as set forth in full in Appendix I attached hereto and hereby made a part hereof. The bylaws of Caterpillar Delaware in effect on the Effective Date shall continue to be the bylaws of Caterpillar Delaware without change or amendment until further amended in accordance with the provisions thereof and applicable law.

2.2 Directors. The directors of Caterpillar California immediately preceding the Effective Date shall become the directors of Caterpillar Delaware on and after the Effective Date to serve until the expiration of their terms as set forth below and until their successors are elected and qualified. Messrs. Robert E. Gilmore, Edward J. Schlegel, Robert C. Scrivener, and Rawleigh Warner, Jr. shall be the initial Class I directors and their terms shall expire in 1987. Ms. Lilyan H. Affinito and Messrs. Peter P. Donis, John W. Fondahl, and Louis V. Gerstner, Jr. shall be the initial Class II directors and their terms shall expire in 1988. Messrs. Walter H. Helmerich, III, Charles F. Knight, Lee L. Morgan, James E. Olson, and George A. Schaefer shall be the initial Class III directors and their terms shall expire in 1989.

2.3 Officers. The officers of Caterpillar California immediately preceding the Effective Date shall become the officers of Caterpillar Delaware on the Effective Date to serve at the pleasure of its Board of Directors.

III. MISCELLANEOUS

3.1 Further Assurances. From time to time, as and when required by Caterpillar Delaware or by its successors and assigns, there shall be executed and delivered on behalf of Caterpillar California such deeds and other instruments, and there shall be taken or caused to be taken by it such further and other action, as shall be appropriate or necessary in order to vest or perfect in or to conform of record or otherwise, in Caterpillar Delaware the title to and possession of all the property, interests, assets, rights, privileges, immunities, powers, franchises, and authority of Caterpillar California and otherwise to carry out the purposes of this Merger Agreement, and the officers and directors of Caterpillar Delaware are fully authorized in the name and on behalf of Caterpillar California or otherwise to take any and all such action and to execute and deliver any and all such deeds and other instruments.

3.2 Amendment. At any time before or after approval by the shareholders of Caterpillar California, this Merger Agreement may be amended in any manner (except that any of the principal terms may not be amended without the approval of the shareholders of Caterpillar California) as may be determined in the

judgment of the respective Boards of Directors of Caterpillar Delaware and Caterpillar California to be necessary, desirable or expedient in order to clarify the intention of the parties hereto or to effect or facilitate the purpose and intent of this Merger Agreement.

3.3 **Abandonment.** At any time before the Effective Date, this Merger Agreement may be terminated and the merger may be abandoned by the Board of Directors of either Caterpillar California or Caterpillar Delaware or both, notwithstanding the approval of this Merger Agreement by the shareholders of Caterpillar California.

3.4 **Counterparts.** In order to facilitate the filing and recording of this Merger Agreement, the same may be executed in any number of counterparts, each of which shall be deemed to be an original.

IN WITNESS WHEREOF, this Merger Agreement, having first been duly approved by the Board of Directors of Caterpillar California and Caterpillar Delaware, is hereby executed on behalf of each said corporation and attested by their respective officers thereunto duly authorized.

CATERPILLAR TRACTOR CO.
A California corporation

By _____
George A. Schaefer
Chairman of the Board and
Chief Executive Officer

ATTEST:

_____
Robert R. Thornton
Secretary

CATERPILLAR INC.
A Delaware corporation

By _____
George A. Schaefer
Chairman of the Board and
Chief Executive Officer

ATTEST:

_____
Robert R. Thornton
Secretary

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APPENDIX 1

CATERPILLAR INC.

RESTATED CERTIFICATE OF INCORPORATION

Caterpillar Inc., a corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows:

1. The name of the corporation is Caterpillar Inc.

The date of filing its original certificate of incorporation with the Secretary of State was March 12, 1936.

2. This restated certificate of incorporation restates and integrates and further amends the certificate of incorporation of this corporation by deleting the existing articles THIRD through SEVENTH and replacing them with new articles THIRD through EIGHTH as set forth below.

3. The text of the certificate of incorporation as amended or supplemented heretofore is further amended hereby to read as herein set forth in full:

FIRST: The name of this corporation is Caterpillar Inc.

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

FOURTH: (a) The corporation is authorized to issue two classes of shares to be designated, respectively, "common stock" and "preferred stock." The total number of such shares shall be two hundred five million (205,000,000), all of which shares shall have a par value of $1.00 per share. The total number of shares of common stock authorized to be issued shall be two hundred million (200,000,000) and the total number of shares of preferred stock authorized to be issued shall be five million (5,000,000).

(b) The shares of preferred stock may be issued from time to time in one or more series. The Board of Directors is hereby authorized to establish from time to time by resolution or resolutions the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations or restrictions thereof, including but not limited to the fixing or alteration of the dividend rights, dividend rate or rates, conversion rights, voting rights, rights and terms of redemption (including sinking fund provisions), the redemption price or prices, and the liquidation preferences of any wholly unissued series of shares of preferred stock, and the number of shares constituting any such series and the designation thereof, or any or all of them; and to increase or decrease the number of shares of any series subsequent to the issue of shares of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be so decreased, the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series.

FIFTH: In furtherance and not in limitation of the powers conferred by statute, the Board of Directors shall have power to make, alter, amend and repeal the bylaws (except so far as the bylaws adopted by the stockholders shall otherwise provide). Any bylaws made by the Board of Directors under the powers conferred hereby may be altered, amended or repealed by the Board of Directors or by the stockholders. Notwithstanding the foregoing and anything contained in this certificate of incorporation to the contrary, Sections 1(b)(ii), 1(c) and 3(e) of Article II, and Section 1 of Article III of the bylaws shall not be altered, amended or repealed, and no provisions inconsistent therewith shall be adopted, without the affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding stock of the corporation entitled to vote generally in the election of directors, voting together as a single class (it being understood that for the purposes of this Article FIFTH, each share shall have one vote except as otherwise provided in accordance with Article FOURTH).

SIXTH: (a) The number of directors which shall constitute the whole Board of Directors of this corporation shall be as specified in the bylaws of the corporation, subject to the provisions of Article FIFTH herein and this Article SIXTH.

(b) The Board of Directors shall be and is divided into three classes: Class I, Class II and Class III, which shall be as nearly equal in number as possible. Each director shall serve for a term ending on the date of the third annual meeting of stockholders following the annual meeting at which the director was elected; provided, however, that each initial director in Class I shall hold office until the annual meeting of stockholders in 1987; each initial director in Class II shall hold office until the annual meeting of stockholders in 1988; and each initial director in Class III shall hold office until the annual meeting of stockholders in 1989. Notwithstanding the foregoing provisions of this Article, each director shall serve until his successor is duly elected and qualified or until his death, resignation or removal.

(c) In the event of any increase or decrease in the authorized number of directors, the newly created or eliminated directorships resulting from such increase or decrease shall be apportioned by the Board of Directors among the three classes of directors so as to maintain such classes as nearly equal as possible. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(d) Newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office (and not by stockholders), even though less than a quorum of the Board of Directors. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified.

(e) Any director may be removed from office without cause but only by the affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding stock of the corporation entitled to vote generally in the election of directors, voting together as a single class (it being understood that for the purposes of this Article SIXTH, each share shall have one vote except as otherwise provided in accordance with Article FOURTH).

(f) Notwithstanding the foregoing, whenever the holders of any one or more classes or series of stock issued by this corporation having a preference over the common stock as to dividends or upon liquidation, 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, terms of removal and other features of such directorships shall be governed by the terms of Article FOURTH and the resolution or resolutions establishing such class or series adopted pursuant thereto and such directors so elected shall not be divided into classes pursuant to this Article SIXTH unless expressly provided by such terms.

SEVENTH: (a) Any action required or permitted to be taken by the stockholders of the corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders.

(b) Special meetings of the stockholders of this corporation for any purpose or purposes may be called at any time by the Chairman of the Board or the President, or by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors, but such special meetings may not be called by any other person or persons.

(c) Advance notice of stockholder nominations for the election of directors shall be given in the manner provided in the bylaws of this corporation.

(d) Election of directors need not be by written ballot unless the bylaws of this corporation shall so provide.

EIGHTH: 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 this certificate of incorporation, and all rights conferred on stockholders herein are granted subject to this

reservation. Notwithstanding the foregoing, the affirmative vote of not less than seventy-five percent (75%) of the total voting power of all outstanding shares of stock in this corporation entitled to vote generally in the election of directors voting together as a single class (it being understood that for the purposes of this Article EIGHTH, each share shall have one vote except as otherwise provided in accordance with Article FOURTH) shall be required to alter, amend or repeal, or adopt any provisions inconsistent with the provisions set forth in Articles FIFTH, SIXTH, SEVENTH and this Article EIGHTH.

4. This restated certificate of incorporation was duly adopted by unanimous written consent of the stockholders in accordance with the applicable provisions of Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said Caterpillar Inc. has caused this certificate to be signed by George A. Schaefer, its Chairman of the Board of Directors, and attested by Robert R. Thornton, its Secretary, this 8th day of May, 1986.

CATERPILLAR INC

By George A. Schaefer
George A. Schaefer
Chairman of the Board of Directors

ATTEST:

By Robert R. Thornton
Robert R. Thornton
Secretary

(14)

I, Robert R. Thornton, Secretary of Caterpillar Inc., a corporation organized and existing under the laws of the State of Delaware, hereby certify, as such Secretary, that the Agreement and Plan of Merger to which this certificate is attached, after having been first duly signed on behalf of the said Corporation and having been signed on behalf of Caterpillar Tractor Co., a corporation organized and existing under the laws of the State of California, was duly adopted pursuant to section 228 of Title 8 of the Delaware Code, by the unanimous written consent of the stockholder holding 1 share of the capital stock of the Corporation, such stock being all of the shares issued and outstanding having voting power, which Agreement and Plan of Merger was thereby adopted as the act of the stockholder of said Caterpillar Inc., and the duly adopted agreement and act of the said Corporation.

WITNESS my hand this 21st day of May, 1986

Robert R. Thornton
Secretary