

*Copied*

CERTIFICATE OF INCORPORATION

OF

SOUTH JERSEY INDUSTRIES, INC.

To: The Secretary of State  
State of New Jersey

THE UNDERSIGNED, for the purpose of forming a corporation pursuant to the provisions of Title 14A of the New Jersey Business Corporation Act does hereby execute the following Certificate of Incorporation:

FIRST: The name of the corporation is SOUTH JERSEY INDUSTRIES, INC.

SECOND: The purpose or purposes for which the corporation is organized are:

To engage in any activity within the purposes for which corporations may be organized under applicable New Jersey law.

THIRD: The aggregate number of shares which the corporation shall have authority to issue is 7,500,000 shares, divided into two classes consisting of 5,000,000 shares of Common Stock ("Common Stock") with par value of \$2.50 per share and 2,500,000 shares of Preference Stock ("Preference Stock") without par value.

**A. Preference Stock.**

1. **ISSUE IN SERIES.** Preference Stock may be issued from time to time in one or more series, each such series to have the terms stated herein and in the resolution of the board of directors providing for its issue. All shares of any one series of Preference Stock shall be identical, but shares of different series of Preference Stock need not be identical or rank equally except insofar as provided by law or herein.

2. **CREATION OF SERIES.** The board of directors shall have authority by resolution to cause to be created one or more series of Preference Stock, and to determine and fix with respect to each series prior to the issuance of any shares of the series to which such resolution relates:

(a) The distinctive designation of the series and the number of shares which shall constitute the series, which number may be increased or decreased (but not below the number of shares then outstanding) from time to time by action of the board of directors;

(b) The dividend rate and the times of payment of dividends on the shares of the series, whether dividends shall be cumulative, and, if so, from what date or dates;

(c) The price or prices at which, and the terms and conditions on which, the shares of the series may be redeemed at the option of the corporation;

(d) Whether or not the shares of the series shall be entitled to the benefit of a retirement or sinking fund to be applied to the purchase or redemption of such shares and, if so entitled, the amount of such fund and the terms and provisions relative to the operation thereof;

(e) Whether or not the shares of the series shall be convertible into, or exchangeable for, any other shares of stock of the corporation or other securities, and if so convertible or exchangeable, the conversion price or prices, or the rates of exchange, and any adjustments thereof, at which such conversion or exchange may be made, and any other terms and conditions of such conversion or exchange;

(f) The rights of the shares of the series in the event of voluntary or involuntary liquidation, dissolution or winding up of the corporation;

(g) Whether or not the shares of the series shall have priority over or parity with or be junior to the shares of any other series or class in any respect or shall be entitled to the benefit of limitations restricting the issuance of shares of any other series or class having priority over or being on a parity with the shares of such series in any respect, or restricting the payment of dividends on or the making of other distributions in respect of shares of any other

series or class ranking junior to the shares of the series as to dividends or assets, or restricting the purchase or redemption of the shares of any such junior series or class, and the terms of any such restriction, or any other restriction with respect to shares of any other series or class ranking junior to the shares of the series in any respect;

(h) Whether the series shall have voting rights, in addition to any voting rights provided by law and if so, the terms of such voting rights; and

(i) Any other preferences, qualifications, privileges, options and other relative or special rights and limitations of that series.

3. PREFERENCE ON LIQUIDATION. In the event of the voluntary or involuntary liquidation, dissolution or winding up of the corporation, holders of each series of Preference Stock shall be entitled to receive the amount fixed for such series plus, in the case of any series on which dividends shall have been determined by the board of directors to be cumulative, an amount equal to all dividends accumulated and unpaid thereon to the date of final distribution whether or not earned or declared. If the assets of the corporation are not sufficient to pay such amounts in full, holders of all shares of Preference Stock shall participate in the distribution of assets ratably in proportion to the full amounts to which they are entitled or in such order of

priority if any, as shall have been fixed in the resolution or resolutions providing for the issue of series of Preference Stock. Neither the merger nor consolidation of the corporation into or with any other corporation, nor a sale, transfer or lease of all or part of its assets, shall be deemed a liquidation, dissolution or winding up of the corporation within the meaning of this paragraph.

4. REDEMPTION. The corporation at the option of the board of directors may redeem all or part of the shares of any series of Preference Stock on the terms and conditions fixed for such series. In case of the redemption of less than all outstanding shares of any series of Preference Stock, the shares to be redeemed shall be selected by lot or in such other manner as the board of directors determines.

5. VOTING RIGHTS. Except as otherwise required by law or as otherwise determined by the board of directors as to the shares of any series of Preference Stock prior to the issuance of any such shares, the holders of Preference Stock shall have no voting rights and shall not be entitled to any notice of any meeting of shareholders.

#### B. Common Stock

1. DIVIDENDS. Holders of Common Stock shall be entitled to receive such dividends as may be declared by the board of directors, except that the corporation will not declare, pay or set apart for payment any dividend on shares of Common Stock (other than dividends payable in Common Stock), or directly or indirectly make any distribution on, redeem, purchase or otherwise acquire any such shares, if

at the time of such action the corporation is in default with respect to any dividend due and payable on or any sinking or purchase fund requirement relating to any shares of Preference Stock, provided that the provisions of this paragraph shall not prevent the payment of any dividend within sixty days after the declaration thereof if such declaration, when made, complied with the provisions hereof.

2. DISTRIBUTION OF ASSETS. In the event of the voluntary or involuntary liquidation, dissolution or winding up of the corporation, holders of Common Stock shall be entitled to receive pro rata all of the remaining assets of the corporation available for distribution to its shareholders after all amounts to which the holders of Preference Stock are entitled have been paid or set aside in cash for payment.

3. VOTING RIGHTS. Holders of Common Stock shall have general rights to vote for all purposes on the basis of one vote for each share held of record.

FOURTH: The address of the corporation's initial registered office is 2001 Atlantic Avenue, Atlantic City, N. J., 08404, and the name of the corporation's initial registered agent at such address is Edgar S. Keepers, Jr.

FIFTH: The number of directors constituting the first board of directors shall be three (3) and the names and addresses of the persons who are to serve as such directors are:

<u>Name</u>	<u>Address</u>
William A. Gemmel	2001 Atlantic Avenue Atlantic City, N. J. 08404
Edgar S. Keepers, Jr.	2001 Atlantic Avenue Atlantic City, N. J. 08404
Glendon H. Harris	2001 Atlantic Avenue Atlantic City, N. J. 08404

SIXTH: The name and address of the incorporator is:

<u>Name</u>	<u>Address</u>
Robert C. Koury	619 Guarantee Trust Building Atlantic City, N. J. 08401

IN WITNESS WHEREOF, the undersigned incorporator of the above named corporation has hereunto signed this Certificate of Incorporation this 10th day of November, 1969.

  
 \_\_\_\_\_  
 Robert C. Koury

ENDORSED  
FILED AND RECORDED

NOV 12 1969

ROBERT J. BURKHARDT  
Secretary of State

STATEMENT OF CANCELLATION  
OF REACQUIRED SHARES OF  
SOUTH JERSEY INDUSTRIES, INC.

TO: THE SECRETARY OF STATE  
STATE OF NEW JERSEY

Pursuant to the provisions of Section 14A:7-18, Corporations, General, of the New Jersey Statutes, the undersigned corporation hereby submits the following Statement of Cancellation of Reacquired Shares:

1. The name of the corporation is SOUTH JERSEY INDUSTRIES, INC.

2. The number of shares cancelled is 100; itemized as follows:

<u>Class</u>	<u>Series</u>	<u>No. of Shares</u>
Common - \$2.50 per value per share	--	100

3. The aggregate number of issued shares of the corporation after giving effect to such cancellation is 1,607,727; itemized as follows:

<u>Class</u>	<u>Series</u>	<u>No. of Shares</u>
Common - \$2.50 per value per share	--	1,607,727

4. The amount of the stated capital of the corporation after giving effect to such cancellation is \$4,019,317.50.

Dated this 7th day of May, 1970.

SOUTH JERSEY INDUSTRIES, INC.

By: William A. Gempel

WILLIAM A. GEMPEL, PRESIDENT

RECORDED  
FILED AND RECORDED

MAY 18 1970  
PAUL J. SHERWIN  
Secretary of State



# State of New Jersey

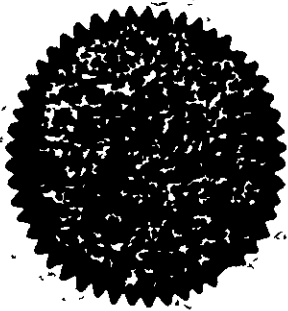


## Department of State

I, the Secretary of State of the State of New Jersey, do hereby Certify that the foregoing is a true copy of Statement of Cancellation of Reacquired Shares of SOUTH JERSEY INDUSTRIES, INC.

\_\_\_\_\_ and the endorsements thereon,  
as the same is taken from and compared with the original filed  
in my office on the 13th day of May A. D.  
1970, and now remaining on file and of record therein.

In Testimony Whereof, I have hereunto  
set my hand and affixed my Official  
Seal at Trenton, this 13th  
day of May A. D. 1970.



Paul J. Heurich

Secretary of State

FILED

APR 21 1983

JANE BURGIO  
Secretary of State

SOUTH JERSEY INDUSTRIES, INC.

Certificate of Amendment of the  
Certificate of Incorporation

To: The Secretary of State of  
the State of New Jersey

Pursuant to the provisions of Section 14A:9-2(4) and Section 14A:9-4(3) of Title 14A, Corporations, General, of the New Jersey Statutes, the undersigned corporation executes the following Certificate of Amendment of its Certificate of Incorporation:

1. The name of the corporation is South Jersey Industries, Inc.
2. The amendment to the Certificate of Incorporation, set forth in full in the following resolution, was duly approved by the directors of the corporation on January 21, 1983 and was duly adopted by the shareholders of the corporation on April 21, 1983:

RESOLVED, that the Certificate of Incorporation of the Company be amended to include new Articles SEVENTH, EIGHTH, NINTH and TENTH thereof, to read in their entirety as follows:

SEVENTH: The directors of the corporation shall be divided into three classes: Class I, Class II and Class III. Such classes shall be as nearly equal in number as possible. The term of office of the initial Class I directors shall expire at the Annual Meeting of Shareholders in 1984; the term of office of the initial Class II directors shall expire at the Annual Meeting of Shareholders in 1985; and the term of office of the initial Class III directors shall expire at the Annual Meeting of Shareholders in 1986; or in each case thereafter when their respective successors are elected and have qualified or upon their earlier death, resignation or removal. At each annual election held after the initial election of directors according to classes, the directors chosen to succeed those whose terms then expire

shall be identified as being of the same class as the directors they succeed and shall be elected for a term expiring at the third succeeding annual meeting of shareholders or in each case thereafter when their respective successors are elected and have qualified or upon their earlier death, resignation or removal. If the number of directors is changed, any increase or decrease in directors shall be apportioned among the classes so as to maintain all classes as nearly equal in number as possible.

EIGHTH: (1) Except as otherwise expressly provided in Paragraph 2 of this Article EIGHTH:

(a) any merger or consolidation of the corporation with or into any other person or any merger of any other person into the corporation;

(b) any sale, lease, exchange or other disposition by the corporation, whether or not in partial or complete liquidation, of all or any substantial part of the assets of the corporation to or with any other person; or

(c) any issuance or transfer by the corporation or any subsidiary of the corporation of any securities of the corporation having voting power (whether generally or upon the happening of any contingency), or any securities or instruments convertible into securities having voting power, to any other person in exchange for securities, cash or other property or a combination thereof,

shall require approval by the affirmative vote of the holders of at least 80% of the outstanding shares of all classes of capital stock of the corporation entitled to vote generally in the election of directors, considered for such purpose as one class, if, in any such case, as of the record date for the determination of shareholders entitled (by reason of this Article EIGHTH or otherwise) to notice thereof and to vote thereon,

or at any time within the 12-month period preceding such record date, such other person is or was a Related Person. Such vote shall be in addition to any class vote to which any class of stock of the corporation may be entitled.

(2) The provisions of paragraph (1) of this Article EIGHTH shall not apply to any transaction described in clause (a), (b) or (c) of such paragraph (1) if the Board of Directors of the corporation shall by resolution have approved, prior to the time that such Related Person shall have become a Related Person, a memorandum of understanding or an agreement with such Related Person setting forth, at least generally, the substance of the terms upon which such transaction shall thereafter be consummated.

(3) For purposes of this Article EIGHTH:

(a) any specified person shall be deemed to be the "beneficial owner" or to "beneficially own" any securities (i) as to which such person or any affiliate or associate of such person has the right, alone or with others, to direct the manner of exercise of the voting rights of such securities, whether or not such person or any affiliate or associate of such person has any interest in any income or distribution with respect to such securities, or (ii) which such specified person or any of its affiliates or associates has the right to acquire immediately or at some future date pursuant to any agreement, or upon exercise of conversion rights, warrants, or options, or otherwise, or (iii) which are beneficially owned, within the meaning of clause (i) or (ii) hereof, by any other person with which such specified person or any of its affiliates or associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of such securities;

(b) a "person" is any individual, corporation, partnership, limited partnership, joint venture, sole proprietorship or other legal entity;

(c) an "affiliate" of a specified person is any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the specified person;

(d) an "associate" of a specified person is (i) any person of which such specified person is an officer, director or partner or is, directly or indirectly, the beneficial owner of 5% or more of any class of equity securities, (ii) any person that bears to the specified person the relationship described in clause (i), (iii) any trust or estate in which such specified person has a substantial beneficial interest or as to which such specified person serves as a trustee or in a similar fiduciary capacity, (iv) any relative or spouse of a specified person or any person described in clause (ii), or any relative of such spouse, except relatives more remote than first cousin, or (v) any other member or partner in a partnership, limited partnership, syndicate or other group of which the specified person is a member or partner and which is acting together for the purpose of acquiring, holding or disposing of any interest in the corporation;

(e) a "Related Person" is any person (other than the corporation or any subsidiary) who is the beneficial owner, directly or indirectly, of 5% or more of the outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors, considered for this purpose as one class; and

(f) a "subsidiary" is any corporation directly or indirectly, through stock ownership or otherwise, which is controlled by South Jersey Industries, Inc.

(4) The Board of Directors of the corporation shall have the power and duty to determine for the purposes of this Article EIGHTH, on the basis of

information then known to it, (a) whether any person is or was, at any relevant time, the beneficial owner, directly or indirectly, of 5% or more of the outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors or is or was an affiliate, an associate or a subsidiary of any person (including, without limitation, whether any person "controls" or is "controlled by" or under "common control with" any other person for the purposes of the definitions set forth in paragraph (3) of this Article EIGHTH), and (b) whether any proposed sale, lease, exchange or other disposition of part of the assets of the corporation involves a substantial part of the assets of the corporation. Any such determination made by the Board of Directors shall be conclusive and binding for all purposes of this Article EIGHTH.

(5) For purposes of this Article EIGHTH, shares of capital stock of the corporation subject to options, warrants or conversion rights held by any person or its affiliates or associates shall be deemed outstanding for the purpose of computing the percentage of outstanding shares of capital stock of the corporation beneficially owned by such person (and any such affiliate or associate) but shall not be deemed outstanding for the purpose of computing the percentage of such shares beneficially owned by any other person.

NINTH: The Board of Directors of the corporation, when evaluating any proposal from another party to (i) make a tender offer for securities of the corporation; (ii) merge or consolidate the corporation with another corporation; (iii) purchase or otherwise acquire substantially all of the properties or assets of the corporation; (iv) engage in any transaction of the sort specified in Paragraph (1) of Article EIGHTH of this Certificate of Incorporation; or (v) engage in any other transaction having a similar effect upon the properties, operations or control of the corporation, shall in connection with the exercise of

its judgment in determining what is in the best interests of the corporation and its shareholders, give due consideration to the following:

- (1) the character, integrity, business philosophy and financial status of the other party or parties to the transaction;
- (2) the consideration to be received by the corporation or its shareholders in connection with such transaction, as compared to:
  - (a) the current market price or value of the corporation's properties or securities;
  - (b) the estimated future value of the corporation, its properties or securities;
  - (c) such other measures of the value of the corporation, its properties or securities as the directors may deem appropriate;
- (3) the projected social, legal and economic effects of the proposed action or transaction upon the corporation, its employees, suppliers and customers and the communities in which the corporation does business;
- (4) the general desirability of the continuance of the corporation as an independent entity; and
- (5) such other factors as the Board of Directors may deem relevant.

TENTH: Any provision in this Certificate of Incorporation or in the Bylaws of the corporation to the contrary notwithstanding, no provisions of Articles SEVENTH, EIGHTH, NINTH or TENTH of this Certificate of Incorporation, or any provisions of Sections 2.1, 2.3, 2.5 or 6.2 of the corporation's Bylaws, shall be altered, amended, supplemented or repealed by the shareholders of the corporation, and no provision of the Bylaws or of this Certificate of Incorporation inconsistent with such provisions shall be adopted by the shareholders of

the corporation, except by the affirmative vote of the holders of at least 80% of the outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors, considered for this purpose as one class.

3. At the time of the action of the shareholders:

- (a) The total stock outstanding was 2,664,924 shares of Common Stock.
- (b) The number of shares entitled to vote was 2,645,421.

4. In the action taken by the shareholders:

- (a) The number of shares voted in favor of the amendment was 1,777,056.
- (b) The number of shares voted against the amendment was 89,209.

SOUTH JERSEY INDUSTRIES, INC.

By William F. Ryan  
William F. Ryan, President

Dated: April 21, 1983.



MAY 2 1984

SOUTH JERSEY INDUSTRIES, INC.

JANE BURGIO  
Secretary of StateCertificate of Amendment of the  
Certificate of Incorporation

To: The Secretary of State of  
the State of New Jersey

Pursuant to the provisions of Section 14A:9-2(4) and Section 14A:9-4(3) of Title 14A, Corporations, General, of the New Jersey Statutes, the undersigned corporation executes the following Certificate of Amendment of its Certificate of Incorporation:

1. The name of the corporation is South Jersey Industries, Inc.
2. The amendment to the Certificate of Incorporation, set forth in full in the following resolution, was duly adopted by the shareholders of the corporation on April 19, 1984:

RESOLVED, That the first paragraph of Article Third of the Certificate of Incorporation of the Company be amended to read in its entirety as follows:

THIRD: The aggregate number of shares which the corporation shall have authority to issue is 10,000,000 shares, divided into two classes consisting of 7,500,000 shares of Common Stock ("Common Stock"), of the par value of \$2.50 per share, and 2,500,000 shares of Preference Stock ("Preference Stock"), without par value.

3. At the time of the action of the shareholders:

- (a) The total outstanding stock of the corporation consisted of 2,880,935 shares of Common Stock.
- (b) The number of such shares entitled to vote was 2,818,873.

4. In the action taken by the shareholders:

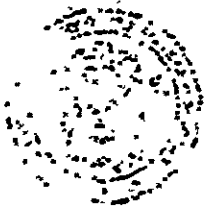
- (a) The number of such shares voted in favor of the amendment was 2,132,708 .
- (b) The number of such shares voted against the amendment was = 115,719.

SOUTH JERSEY INDUSTRIES, INC.

By William F. Ryan  
William F. Ryan / President

Dated: April 19, 1984.

Secretary of State of the State of  
New Jersey  
Office of the Secretary of State  
200 West State Street  
Trenton, New Jersey 08646  
Date: May 2, 1984



IN TESTIMONY WHEREOF I have hereunto set my hand and the seal of the State of New Jersey at Trenton, New Jersey, this 2nd day of May, 1984.

*James H. McGreevey*

C T CORPORATION SYSTEM  
28 W. STATE STREET  
TRENTON, N. J. 08608