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CERTIFICATE OF MERGER  
OF  
ST. REGIS PAPER COMPANY  
AND  
SOUTHLAND PAPER MILLS, INC.  
INTO

ST. REGIS PAPER COMPANY  
UNDER SECTION 904 OF THE BUSINESS CORPORATION LAW

We, the undersigned GEORGE J. KNEELAND and HOMER CRAWFORD being respectively the Chairman of the Board of Directors and Chief Executive Officer, and the Vice President and Secretary of ST. REGIS PAPER COMPANY ("St. Regis"), and MELVIN E. KURTH, JR. and D. E. WHITTY being respectively the Chairman of the Board of Directors, President and Chief Executive Officer, and the Secretary of SOUTHLAND PAPER MILLS, INC. ("Southland") do hereby certify:

1. (a) The name of each constituent corporation is as follows:

St. Regis Paper Company  
Southland Paper Mills, Inc.

(b) The name of the surviving corporation is  
ST. REGIS PAPER COMPANY.

2. As to each constituent corporation, the designation and number of outstanding shares of each class and series and the voting rights thereof are as follows:

<u>Name of Corporation</u>	<u>Designation and number of shares in each class or series outstanding (as of Nov. 7, 1977)</u>	<u>Class or Series of Shares en- titled to Vote</u>	<u>Shares entitled to vote as a class or series</u>
St. Regis	23,900,088 Shares	Common	Each entitled to one vote
St. Regis	112,500 Shares	Series A \$5.50 Cumulative Preferred	Each entitled to one vote
Southland	10,719,025 Shares	Common	Each entitled to one vote

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The number of shares of St. Regis Common Stock outstanding, as of November 7, 1977, is subject to change prior to the effective date of the merger since St. Regis has reserved an amount of its Common Stock for future issuances pursuant to two employee benefit plans: its 1970 Employee Stock Option Plan and its Management Incentive Compensation Plan, and to satisfy conversion rights of its Cumulative Preferred Stock, \$5.50 Series A, and its 4-7/8% Convertible Subordinate Debentures. The number of shares of St. Regis Cumulative Preferred Stock and Southland common stock will not change prior to the effective date of the merger.

3. No amendments or changes in the Certificate of Incorporation of St. Regis are to be made as a result of the merger.

4. The date when the certificate of incorporation of St. Regis was filed with the Department of State of the State of New York was February 4, 1899.

Southland was organized under the laws of the State of Texas on June 4, 1938 and it is not qualified to do business in the State of New York.

5. The merger was adopted by each constituent corporation as follows:

As to ST. REGIS, by the affirmative vote of at least two-thirds of the issued and outstanding shares entitled to vote thereon.

SOUTHLAND has complied with the applicable provisions of the laws of the State of Texas in which it is incorporated and this merger is permitted by such laws. The manner in which the merger was authorized with respect to said corporation was by the affirmative vote of at least two-thirds of the issued and outstanding shares entitled to vote thereon.

6. The merger shall be effective on the 1st day of December, 1977.

IN WITNESS WHEREOF, the undersigned have executed this certificate this 30<sup>th</sup> day of NOVEMBER, 1977 and we affirm the statements contained therein as true under penalties of perjury.

ST. REGIS PAPER COMPANY

By: George J. Kneeland  
George J. Kneeland  
Chairman of the Board of Directors  
and Chief Executive Officer

By: Homer Crayford  
Homer Crayford  
Vice President and Secretary

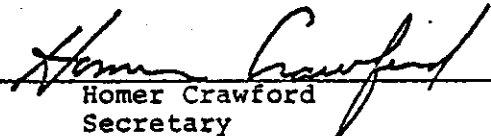
SOUTHLAND PAPER MILLS, INC.

By: Melvin E. Kurth, Jr.  
Melvin E. Kurth, Jr.  
Chairman of the Board of Directors,  
President and Chief Executive Officer

By: D. E. Whitty  
D. E. Whitty  
Secretary

STATE OF NEW YORK     )  
                              ) ss:  
COUNTY OF NEW YORK    )

Homer Crawford, being duly sworn, deposes and says that he is one of the persons who signed the foregoing Certificate of Merger on behalf of St. Regis Paper Company, the surviving corporation; that he signed said certificate in the capacity set beneath his signature thereon; that he had read the foregoing certificate and knows the contents thereof; and that the statements contained therein are true to his own knowledge.

  
Homer Crawford  
Secretary

Subscribed and sworn to before me  
this 30<sup>th</sup> day of NOVEMBER, 1977.

  
Notary Public

JOSEPH E. GORE  
Notary Public, State of New York  
No. 31-1513820  
Qualified in New York County  
Commission Expires March 30, 1979

STATE OF TEXAS     )  
                              ) ss:  
COUNTY OF HARRIS    )

D. E. Whitty, being duly sworn, deposes and says that he is one of the persons who signed the foregoing Certificate of Merger on behalf of Southland Paper Mills, Inc.; that he signed said certificate in the capacity set beneath his signature thereon; that he has read the foregoing certificate and knows the contents thereof; and that the statements contained therein are true to his own knowledge.

  
D. E. Whitty  
Secretary

Subscribed and sworn to before me  
this 30<sup>th</sup> day of NOVEMBER, 1977.

  
Notary Public

VALRIE B. CANSLER  
My Commission Expires MAY 21, 1978