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Restated Certificate

Filed 7-12-54

28 pgs.

8-7350-bb

REGIS PAPER COMPANY

Attested Certificate of Incorporation

Filed in Office Secretary
of State of the State of
Florida this 12 day of
July A.D. 1954

P. A. GRAY
Secretary of State

By _____

RECORDED IN BOOK 27
PAGE 238
DATE 5-7-12-54

592 N7

July 12th 1954

Prentice-Hall, Inc
110 5th Avenue
New York, NEW YORK

Gentlemen:

At the request of Mr. George G. Crawford, this City, I am pleased to enclose herewith Certificate to the effect that the duly authenticated copy of Restated Certificate of Incorporation of ST. REGIS PAPER COMPANY, a New York corporation, has been duly filed in this office as of this date, together with receipt for \$10.00 showing payment of the filing fee.

Cordially yours,

Secretary of State.

A
ENCL.

July 12th 1954

Prentice-Hall, Inc
1221 7th Avenue
New York, NEW YORK

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Cordially yours,

Secretary of State.

A
ENC.

COURT OF NEW YORK

1954 JUL 12 AM 9:43

W. J. DIXON

SECRETARY OF STATE

STATE OF FLORIDA

RECEIVED AND FILED

and says that he is the Secretary of St. Regis Paper Company
a corporation duly organized under the laws of the State of New York
that said company is duly qualified to carry on an intrastate business in the
State of Florida, having received a permit therefor on the 26th day of
May 1947 That by an amendment duly adopted by the directors
and stockholders and filed with the Secretary of State of New York
on the 15th day of April 1954 the authorized capital stock of the
corporation was increased, providing for an additional 2,504,286 shares
to be known as common stock with a nominal or par
value of \$5.00 It is not presently intended that any
part of the increased capital stock so provided by
said amendment will be used or employed in the State of Florida.

W. J. Dixon
Secretary

SUBSCRIBED AND SWORN To before me

this 7 day of May, 1954

Ernest F. Staberg
Notary Public, County

My Commission expires
ERNEST F. STABERG
Notary Public, State of New York
No. 41-3800000
Qualified in Queens County
Certs. filed with Queens & New York
County Clerks & Registers
Term Expires March 30, 1955

G. TAX	10.00
FILING	
R. AGENT FEE	
C. COPY	
TOTAL	10.00
N. HAN	0.00
-ALAN	
REFUND	

W. Y. County *1-10-72*

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STATE OF NEW YORK
DEPARTMENT OF STATE

FILED APR 15 1972

TAX \$ *126.00* *72*

FILING FEE \$ *25*

Thomas J. Flanagan

James J. Flanagan

James J. Flanagan
135 South St.

8713-101-24

RESTATED CERTIFICATE OF INCORPORATION

OF ST. REGIS PAPER COMPANY

Pursuant to Section 26 of the Stock Corporation Law

WE, ROY M. EBERSON and ANNA M. EBERSON, of the County of Jefferson, State of New York, do hereby certify that the following is a true and correct copy of the original Certificate of Incorporation of the St. Regis Paper Company, as amended and supplemented by all certificates heretofore filed pursuant to law, as now in force and effect, in the Office of the Secretary of State of the State of New York on February 4, 1920 and in the Office of the Clerk of Jefferson County, State of New York, on February 6, 1920.

Knows: The Certificate of Incorporation of the Corporation was filed in the Office of the Secretary of State of the State of New York on February 4, 1920 and in the Office of the Clerk of Jefferson County, State of New York, on February 6, 1920.

Times: The entire Certificate of Incorporation, as amended and supplemented by all certificates heretofore filed pursuant to law, as now in force and effect, is hereby further amended by changing the capital stock of the Corporation to increase the number of authorized shares of Common Stock of the par value of Five Dollars (\$5) each from 7,493,714 shares to 10,000,000 shares, resulting in an increase in the authorized capital stock of said Corporation from \$57,474,320 to \$70,000,000, and said Certificate is hereby restated to set forth its entire text as amended.

Form: The entire Certificate of Incorporation, as amended and supplemented by all Certificates heretofore filed pursuant to law and as further amended by this Certificate, is as follows:

CERTIFICATE OF INCORPORATION

of the

ST. REGIS PAPER COMPANY

WE, the undersigned, all being citizens of the United States and of New York State, and residents of New York State and of full age, desiring to form a Corporation for the purposes hereinafter set forth, pursuant to the provisions of the Business Corporations Law, as amended by an Act, entitled, "An Act to Amend the Business Corporations Law, approved May 14th, 1912", and as since amended from time to time:

I. The name of the proposed Corporation is the St. Regis Paper Company.

II. The purposes for which said Corporation is formed are:

To conduct the business of manufacturing, producing, selling and dealing in paper, paper products, ink and all ingredients thereof and any and all materials that now or may hereafter be used in connection therewith, both within and without the State of New York;

To purchase, lease or otherwise acquire wood lands and to develop them; to sell and dispose of any products whatsoever of said wood lands, and with the right, in connection with its general business, to purchase or acquire any patents, inventions or processes or machinery connected therewith;

To purchase, acquire, build, own and rent or sell dwellings and other buildings, and to purchase, own or lease such real and personal estate and property as may be necessary or proper for the business of the Corporation; and to mine any minerals or make use of any minerals found upon lands purchased or owned for the general purposes hereinbefore approved;

To purchase, acquire, hold and dispose of the stock, bonds and other securities of any corporation, domestic or foreign, and issue in exchange therefor, its stock, bonds or other securities, it authorized to do so by the provisions in the certificate

of incorporation of such other stock corporation, or any derivative thereof, or supplemental thereto, filed in pursuance of law, or, if the corporation, which stock is to be purchased, acquired, held or disposed of, is engaged in a business similar to that of such stock corporation, or engaged in the manufacture, use or sale of the property, or in the construction or operation of works necessary or useful in the business of such stock corporation, or in which, or in connection with which the manufactured articles, product or property of such corporation are...

...shall be eligible to be elected or appointed directors of such corporation, the same as if they were individually stockholders therein and the corporation holding such stock shall possess and exercise in respect thereof all the rights, powers and privileges of individual holders or owners of such stock.

To conduct the business of the Corporation in all or any of its branches, so far as permitted by law, in all states, territories, dependencies and colonies of the United States and its insular possessions, the District of Columbia and in foreign countries; to maintain offices and agencies, either within or without the State of New York; and, as may be requisite in the convenient transaction of its business, or conduct of its operations, to purchase or otherwise acquire, hold, own, mortgage, sell, convey, or otherwise dispose of real and personal property of every class and description in any of the states, territories, dependencies, colonies or insular possessions of the United States, the District of Columbia, and in any and all foreign countries, subject always to the law of such state, district, territory, dependency, colony, insular possession or foreign country;

To conduct the business of logging, lumbering and all businesses incidental or related thereto; to operate logging camps, saw mills, lumber mills or other plants or facilities for the conversion, utilization, manufacture and production of lumber and wood products of every character;

To own, hold, lease, license, occupy, use and exercise rights in respect of forest lands and woodlands, including the rights to cut and remove timber and forest products therefrom, and all rights-of-way, easements, permits and all other grants and rights of every name and nature necessary or incidental thereto;

To acquire, own, lease, hold, construct, operate and maintain trails, roadways, log roads, auto-truck roads and logging railroads of every type and all vehicles, cars, motors, tractors, locomotives, auto-trucks, repair shops, garages, tools, supplies, machinery, materials and equipment of every name and nature necessary, convenient or incidental thereto;

To own, hold, purchase and generally deal in logs, lumber, timber, standing timber, forest lands, woodlands, wood, forest products and all by-products, compounds and derivatives thereof, together with all supplies, materials and commodities which may be manufactured therefrom or used or useful in connection therewith;

To construct, operate and maintain pulp and paper mills and to engage in the manufacture and sale of pulp and paper or any product in which pulp or paper or any derivative therefrom or by-product thereof or any material used in the manufacture thereof may be used;

To purchase, construct, charter, navigate, operate and maintain steam, sailing or motor vessels of every type and description and to construct, operate and maintain docks, wharves, tramways, log dumps, warehouses, storage houses, loading facilities, ramps and all machinery, equipment, supplies and materials necessary or incidental thereto;

To conduct the business of manufacturing, producing, developing, purchasing, selling and dealing in any way in all kinds of products derived from wood or other vegetable matter and other materials, including (without limitation) cellulose, cellulose compounds and derivatives and by-products of cellulose, rayon, rayon products, chemicals, chemical products and derivatives thereof, including any and all kinds of plastics, plastic material, and any and all

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to conduct the business of manufacturing, selling, leasing, licensing and generally dealing in machines, engines, tools, apparatus, equipment, devices, spare parts and repair parts for any purpose connected with or relating to any of the purposes and powers of the corporation and for other purposes and to provide engineering, installation, repair and maintenance services in connection therewith;

To conduct the business of manufacturing, selling, leasing, licensing and generally dealing in wire ties for the tying or closing of bags, packages and other containers and for joining metals or materials of every character or description; to manufacture, sell and generally deal in machinery, apparatus and equipment for the manufacture of seals for the sealing of bags, packages and other containers and for the sewing or the manufacture of cloth or paper into tubes, bags, packages and containers and other related products;

To manufacture, sell, lease, license and generally deal in machinery, apparatus, equipment and parts and supplies for the filling of bags, packages and other containers, as well as for the weighing of materials to be put into bags, packages and other containers and for the sealing of bags, packages or other containers;

To conduct the business of manufacturing, producing, developing, purchasing, selling and dealing in any and all kinds of goods, wares, foods, potables, drugs, merchandises, manufactures, commodities, furniture, machinery, tools, supplies and products and generally to engage in and conduct any form of manufacturing or mercantile enterprises not contrary to law;

To do each and every thing necessary, suitable or proper for the accomplishment or attainment of any of the purposes enumerated herein or in the Certificate of Incorporation or in any other certificate, enlarging the powers and purposes of the Corporation, filed pursuant to law, or which shall at any time appear conducive to, or expedient for, the protection or benefit of the Corporation;

Nothing herein contained shall be deemed to authorize or permit the Corporation to carry on any business or exercise any power or to do any act which a corporation formed under Article 2 of the Stock Corporation Law may not lawfully carry on or do;

By purchase, by the exchange of stocks, bonds or other obligations or securities of the Corporation, by subscription, or otherwise and to invest in, to hold for investment or for any other purpose and to deal in and to use, sell, pledge or otherwise dispose of any stocks, bonds, notes, debentures and other securities and obligations of any Government, State, municipality, corporation, association or partnership, domestic or foreign, and while owner or holder of any such stocks, bonds, notes, debentures or other securities or obligations, to possess and exercise in respect thereof all the rights, powers and privileges of individual owners or holders thereof;

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To carry on the business of the Corporation in any and all ways, and to acquire, take, hold, own, and to deal in, sell, mortgage, lease or otherwise dispose of lands, claims, mineral rights, oil wells, gas wells, oil lands, gas lands and other real and personal property, and interests in and to real and personal property, both for its own account and as agent, operator or manager for the account of others, and, either alone or jointly with others, to manage, operate, maintain, improve, and develop the said properties, and each and all of them;

To buy, exchange, contract for, lease, and in any and all other ways, acquire, take, hold, own, and to deal in, sell, mortgage, lease or otherwise dispose of lands, claims, mineral rights, oil wells, gas wells, oil lands, gas lands and other real and personal property, and interests in and to real and personal property, both for its own account and as agent, operator or manager for the account of others, and, either alone or jointly with others, to manage, operate, maintain, improve, and develop the said properties, and each and all of them;

To enter into, maintain, operate or carry on in all of its branches the business of exploring and drilling for, extracting, producing, refining, treating, distilling, manufacturing, handling and dealing in, and buying and selling, petroleum, oil, gas, coal and any and all other mineral and hydrocarbon substances, and any and all products or by-products which may be derived from said substances or any of them; and for such or any of such purposes to buy, exchange, contract for, lease and in any and all other ways, acquire, take, hold, and own, and to sell, mortgage, lease and otherwise dispose of, and to construct, manage, maintain, deal in and operate plants, refineries, tanks, trucks, cars, pipes, pumps and machinery, equipment, facilities and apparatus of every kind, character and description.

III. The amount of the capital stock of said Corporation shall be Seventy million Dollars (\$70,000,000), divided into Ten million two hundred thousand (10,200,000) shares, of which Two hundred thousand (200,000) shares, classified as First Preferred Stock, shall be of the par value of One Hundred Dollars (\$100) each and Ten million (10,000,000) shares, classified as Common Stock, shall be of the par value of Five Dollars (\$5) each. None of the shares of the Corporation shall be without par value.

IV. The number of shares classified as First Preferred Stock is 200,000 and the number of shares classified as Common Stock is 10,000,000.

FIRST PREFERRED STOCK

The designations, preferences, privileges and voting powers of the shares of First Preferred Stock and the restrictions or qualifications thereof are as follows:

(1) The shares of First Preferred Stock may be issued from time to time in such one or more series as may be determined from time to time by the Board of Directors, each of said series to be distinctively designated. Subject to the limitations hereinafter stated and to the further limitation that shares having voting power shall not have more than one vote each, the Board of Directors is authorized to fix from time to time before the issuance of shares of each series of the First Preferred Stock, the designations, preferences, privileges and voting powers of the shares of such series and the restrictions or qualifications thereof except those hereinafter set forth under the heading "General Provisions Applicable to all Series of First Preferred Stock." All shares of any one series of First Preferred Stock shall be alike in every particular. The shares of all series shall rank equally, and shall be identical in all respects except in respect of the matters set forth in the following subparagraphs labeled (a) to (e), inclusive:

(a) The number of shares to constitute each series and the designation of such series;

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which dividends on such stock are cumulative and ending immediately before the next succeeding dividend date on the period between any two consecutive dividend payment dates, including the first of such dates. Accrued dividends shall not bear interest.

(B) Upon any dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, the holders of the First Preferred Stock of each and every series then outstanding shall be entitled to receive out of the net assets of the Corporation, whether capital or surplus, the amount payable on such shares, whether or not such amount has been previously declared, before any distribution of the assets of the Corporation, whether capital or surplus, shall be made to the holders of the Common Stock or the holders of any other class of stock ranking junior to the First Preferred Stock.

If the stated amounts payable on dissolution, liquidation or winding up are not paid in full, the shares of all series of First Preferred Stock shall share ratably in any distribution of assets other than by way of dividends in accordance with the sums which would be payable on such distribution if all sums payable were discharged in full, and the holders of the respective series of First Preferred Stock shall be entitled so to share in any such distribution in preference and priority over the shares of Common Stock or any other class of stock ranking junior to the First Preferred Stock.

After payment to the holders of the First Preferred Stock of the full amounts to which they respectively are entitled as aforesaid, the holders of the First Preferred Stock, as such, shall have no right or claim to any of the remaining assets of the Corporation.

The sale, conveyance, exchange or transfer of all or substantially all of the property of the Corporation, or the merger or consolidation into or with any other corporation shall not be deemed a dissolution, liquidation or winding up for the purposes of this subdivision (B).

(C) At the option of the Board of Directors of the Corporation, the Corporation may redeem any series of First Preferred Stock which has been made redeemable, either as a whole or in part, at the redemption price determined for such series; provided however, that not less than 30 nor more than 60 days prior to the date fixed for redemption a notice of the time and place thereof shall be mailed to the holders of record of the First Preferred Stock so to be redeemed; and provided, further, that in every case of redemption of less than all of the outstanding shares of any one series of First Preferred Stock, such redemption shall be made *pro rata*, or the shares of such series to be redeemed shall be chosen by lot in such manner as may be prescribed by resolution of the Board of Directors. At any time after notice of redemption has been mailed as aforesaid to the holders of stock so to be redeemed, the Corporation may deposit the aggregate redemption price in trust with a bank or trust company having its principal office in the State of New York, named in such notice, payable on the date fixed for redemption as aforesaid and in the amounts aforesaid to the respective orders of the holders of the shares so to be redeemed, upon endorsement to the Corporation, if required, and upon surrender of the certificates for such shares. Upon deposit of said redemption price as aforesaid, or, if no such deposit is made, upon the date fixed for redemption (unless the Corporation fails to make payment of the redemption price as set forth in such notice), such holders shall cease to be stockholders with respect to said shares, and from and after the making of said deposit, or, if no such deposit is made, from and after the date fixed for redemption (the Corporation not having failed to make payment of the redemption price as set forth in such notice), said shares shall not be deemed to be outstanding and such holders shall have no interest in or claim against the Corporation with respect to said shares, but shall be entitled only to receive said moneys on the date fixed for redemption as aforesaid from said bank or trust com-

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pany, or from the Corporation, as the case may be, without interest thereon, upon endorsement to the Corporation, if required, and upon surrender of the certificates for such shares, as aforesaid.

In case the holder of any such First Preferred Stock, which shall have been called for redemption shall not, within five years after said deposit, claim the amount deposited as above provided for the redemption thereof, such bank or trust company shall upon demand pay over to the Corporation such unclaimed amount and such bank or trust company shall thereupon be relieved from all responsibility to such holder, and such holder shall look only to the Corporation for the payment thereof. Any interest accrued on any funds so deposited shall belong to the Corporation.

(D) Nothing herein contained shall limit any legal right of the Corporation to purchase or otherwise acquire any shares of the First Preferred Stock.

(E) So long as any shares of the First Preferred Stock of any series are outstanding, the Corporation shall not, without the consent (given in person or by proxy, either in writing or at a meeting called for that purpose in the manner prescribed by Section 43 of the Stock Corporation Law) of the holders of record of at least a majority of the total number of shares of the First Preferred Stock of all series then outstanding:

(1) Consolidate or merge with or into any other corporation or corporations other than a wholly owned subsidiary; provided that the provisions of this clause (1) shall not apply to the purchase or other acquisition by the Corporation of the assets of another corporation, or otherwise apply to any transaction which does not involve a statutory consolidation or merger; or

(2) Sell, exchange, lease or in any other manner convey all or substantially all of the property and assets of the Corporation (except to a wholly owned subsidiary) or voluntarily dissolve, liquidate or wind up the Corporation.

The term "wholly owned subsidiary" or "wholly owned subsidiaries" as used in this subdivision (E) shall mean any corporation or corporations 93% or more of all classes of stock of which at the time is owned, directly or indirectly, by the Corporation or by one or more wholly owned subsidiaries of the Corporation or by the Corporation and by one or more wholly owned subsidiaries of the Corporation.

(F) So long as any shares of the First Preferred Stock of any series are outstanding, the Corporation shall not, without the consent (given in person or by proxy, either in writing or at a meeting called for that purpose in the manner prescribed by Section 43 of the Stock Corporation Law) of the holders of record of at least two-thirds of the total number of shares of the First Preferred Stock of all series then outstanding:

(1) Issue or permit any subsidiary (as hereinafter defined) to issue any funded debt (as hereinafter defined) for purposes other than the refunding (without increase in principal amount) of outstanding funded debt, secured or unsecured, theretofore issued by the Corporation or such subsidiary, respectively, or the redemption or other retirement of outstanding shares of the First Preferred Stock or of stock ranking prior to, or *pari passu* with, the First Preferred Stock, unless, after giving effect to such issue, (a) the consolidated net tangible assets (determined as hereinafter provided) exceed two times the total principal amount of all outstanding funded debt (excluding any funded debt to be retired in connection with such issue); and (b) the consolidated income of the Corporation and its subsidiaries (determined as hereinafter provided) for any twelve consecutive calendar months within the fifteen calendar months immediately preceding the month within which such funded debt is issued, shall have been in the aggregate not less than two and one-half times the sum of the interest requirements (adjusted by provision for amortization of debt discount and expense or of premium, as the case may be, on funded debt) for one

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year on all of the outstanding funded debt (excluding any funded debt to be retired in connection with such issue) and the full dividend requirements for one year on all outstanding shares (excluding any shares proposed to be retired in connection with such issue) of the First Preferred Stock and Subsidiary Preferred Stock (as hereinafter defined) and all other stock of the Corporation, if any, ranking prior to, or *pari passu* with, the First Preferred Stock with respect to the payment of dividends or upon the dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary;

(2) Create or authorize any kind of stock ranking prior to the First Preferred Stock with respect to the payment of dividends or upon the dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, or create or authorize any obligation or security convertible into shares of any such kind of stock;

(3) Amend, alter, change or repeal any of the "General Provisions Applicable to All Series of First Preferred Stock" so as to affect the holders thereof adversely;

(4) Make any payment or distribution out of capital or capital surplus (other than dividends payable in stock ranking junior to the First Preferred Stock) to any holder of any stock ranking junior to the First Preferred Stock; or

(5) Issue any shares of any series of the First Preferred Stock (in excess of 130,000 shares of the First Preferred Stock) or any shares ranking on a parity with them or shares of Subsidiary Preferred Stock, or reissue any redeemed or reacquired shares of the First Preferred Stock of any series or shares ranking on a parity with them or shares of Subsidiary Preferred Stock, unless (a) the shares so to be issued or reissued are issued or reissued in connection with the redemption of, or in exchange for, shares of Subsidiary Preferred Stock or of First Preferred Stock of another series then outstanding, entitled in the aggregate to no less sum on voluntary dissolution, liquidation or winding up and to no less sum on involuntary dissolution, liquidation or winding up, or (b) the consolidated income of the Corporation and its subsidiaries (determined as hereinafter provided), for any twelve consecutive calendar months within the fifteen calendar months immediately preceding the month within which such additional shares are issued or reissued, shall have been in the aggregate not less than two and one-half times the sum of the interest requirements (adjusted by provision for amortization of debt discount and expense or of premium, as the case may be, on funded debt) for one year on all of the outstanding funded debt (excluding any funded debt to be retired in connection with such issue or reissue) and the full dividend requirements for one year on all outstanding shares (including those then proposed to be issued or reissued but excluding any shares proposed to be retired in connection with such issue or reissue) of the First Preferred Stock and Subsidiary Preferred Stock and all other stock of the Corporation, if any, ranking prior to, or *pari passu* with, the First Preferred Stock with respect to the payment of dividends or upon the dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary.

As used in this subdivision (5): The term "funded debt" shall mean indebtedness of the Corporation or any subsidiary not maturing on demand or within one year after the date on which the same was first issued by the Corporation or any subsidiary. The term "issue", when used with reference to funded debt, shall include, without duplication, "assume", "assumption", "guarantee" and "guaranty". Funded debt shall be deemed to be "issued" when the Corporation or a subsidiary first becomes obligated in respect thereof to a holder other than the Corporation or a subsidiary; it shall be deemed "outstanding" while the Corporation or a subsidiary is obligated in respect thereof to such a holder; and it shall be deemed to be retired when the obligation in respect thereof of the Corporation or a subsidiary to such a holder shall terminate. The Corporation and its subsidiaries shall be deemed "obligated" upon funded debt secured

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to property owned by the Corporation or a subsidiary, even though not responsible for the payment thereof, and upon funded debt pledged or hypothecated for any purpose.

The term "consolidated net tangible assets" as used in this subdivision (F) shall mean the sum of all assets appearing on a consolidated balance sheet of the Corporation and its subsidiaries prepared in accordance with generally accepted accounting practices, less the sum of (a) the book amount of intangible assets such as goodwill, trade-marks, brands, trade-names, patents and unamortized debt discount and expense; (b) any capital write-ups resulting from reappraisals of assets or investments subsequent to June 30, 1946; (c) any reserves, other than general contingency reserves, carried by the Corporation or its subsidiaries as non-current liabilities and not deducted from assets; (d) the amount, if any, at which the stock of the Corporation owned by the Corporation or by any subsidiary appears upon the asset side of such consolidated balance sheet; (e) consolidated current liabilities; and (f) any minority interest in the stock and surplus of subsidiaries of the Corporation. The term "consolidated current liabilities" shall mean the aggregate of such of the following as would appear on the liability side of such consolidated balance sheet of the Corporation and its subsidiaries: (1) Any and all loans, accounts, bills, notes, acceptances, bonds, debentures or other obligations of any character, except funded debt, payable on demand or maturing in twelve months or less than twelve months after the particular time as of which the calculation is made; (2) Dividends declared but not paid (other than dividends payable in shares of stock); (3) The aggregate amount of all accrued salaries, wages, interest, rents, royalties and other expenses and all estimated and accrued taxes (including, but without limitation, income and capital stock taxes); (4) Any reserves carried by the Corporation or its subsidiaries for contingent current liabilities; and (5) Such other liabilities, other than funded debt, as may be properly included as "current" in accordance with generally accepted accounting practices; provided that no obligations of any character shall for any purpose be deemed to be part of consolidated current liabilities if moneys sufficient to pay and discharge such liabilities in full (either on the date of maturity expressed therein or on such earlier date as such obligations may be redeemed pursuant to the provisions thereof) shall have been deposited with the proper depository or with a bank, trust company or trustee in trust for the payment thereof and such moneys shall not be included in consolidated current assets.

"Consolidated income" for any period for the purposes of this subdivision (F) shall be computed by adding to the consolidated net income of the Corporation and its subsidiaries for said period (determined in accordance with generally accepted accounting practices but without deduction for minority interest attributable to Subsidiary Preferred Stocks), as adjusted by action of the Board of Directors of the Corporation as hereinafter provided, the amount deducted for interest (as so adjusted) in determining such net income. In determining such consolidated net income for any period, there shall be deducted, in addition to other items of expense, the amount charged to income for said period on the books of the Corporation and its subsidiaries for taxes and depreciation expense. In the determination of consolidated income for the purposes of this subdivision (F), the Board of Directors of the Corporation shall make such adjustments by way of increase or decrease in such consolidated income as, in the exercise of its due discretion with the advice of independent public accountants, it may deem appropriate to give effect to changes therein resulting from any acquisitions or sales of properties or from any redemption, acquisition, purchase, issue, sale or exchange of securities by the Corporation or its subsidiaries effected prior to or in connection with the issue, assumption or release of any funded debt or shares of First Preferred Stock then to be issued, assumed or released; provided, however, that the Board of Directors need not make any such adjustments which, in the exercise of its

the discretion, it shall determine would not materially affect the determination of consolidated income.

The term "subsidiary" as used in this subdivision (F) shall mean any corporation the voting control of which at the time is owned, directly or indirectly, by the Corporation or by one or more subsidiaries of the Corporation, or by the Corporation and by one or more subsidiaries of the Corporation. The term "voting control", as applied to any corporation, shall mean ownership of such number of shares of outstanding stock of such corporation as at the time shall have by the terms thereof ordinary voting power, not dependent upon the happening of any contingency, to elect (at a meeting attended by the holders of all shares of voting stock) a majority of the Board of Directors of such corporation, irrespective of whether or not, at the time, stock of any other class or classes of such corporation shall or might have voting power by reason of the happening of any contingency.

The term "Subsidiary Preferred Stock", as used in this subdivision (F), shall mean shares of stock, which are preferred as to dividends or upon distribution of assets, issued by any subsidiary and owned other than by the Corporation or a subsidiary.

(G) So long as any shares of the First Preferred Stock of any series are outstanding, the Corporation shall not classify or reclassify outstanding shares of any series of the First Preferred Stock so as to affect the holders of any series adversely (without similarly affecting the holders of all shares of the First Preferred Stock of all series) without the consent (given in writing or by vote at a meeting called for that purpose in the manner prescribed by Section 43 of the Stock Corporation Law) of the holders of record of at least two-thirds of the total number of shares of each such series then outstanding so affected adversely.

(H) Whenever dividends payable on the First Preferred Stock shall be in default (i.e., in arrears and unpaid) in an aggregate amount equivalent to six full quarterly dividends on all shares of such First Preferred Stock then outstanding, thereafter and until all dividends on all shares of the First Preferred Stock at the time in default shall have been paid or declared and set apart for immediate payment, the holders of shares of the First Preferred Stock, voting separately as a class and regardless of series, shall be entitled to elect the least number of members of the Board of Directors which shall constitute not less than one-third of the Board of Directors, as then constituted, but not less than two members of the Board of Directors, and the holders of any other class or classes of stock of the Corporation entitled to vote for the election of directors shall be entitled, voting separately as a class, to elect the remainder of the Board of Directors of the Corporation, as then constituted. The right of the holders of the First Preferred Stock voting separately as a class to elect members of the Board of Directors of the Corporation shall continue until such time as all dividends on all shares of the First Preferred Stock in default shall have been paid in full, or declared and set apart for immediate payment, at which time the right of the holders of shares of the First Preferred Stock voting separately as a class to elect members of the Board of Directors as aforesaid shall terminate, subject to revesting in the event of each and every subsequent default of the character above mentioned.

The aforesaid rights of First Preferred Stock and of any other class or classes of stock of the Corporation to vote separately for the election of members of the Board of Directors may be exercised at any annual meeting of stockholders of the Corporation or, within the limitations hereinafter provided, at any special meeting of stockholders of the Corporation held for the purpose of electing directors.

At any time when the right of the holders of the First Preferred Stock to elect members of the Board of Directors is vested as aforesaid, a special meeting of stockholders

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of the Corporation may be called and held for the purpose of electing directors in the following manner (unless under the provisions of the By-Laws of the Corporation, as then in effect, an annual meeting of stockholders of the Corporation is to be held within 60 days after the vesting in the holders of the First Preferred Stock of the right to elect members of the Board of Directors or unless, since the vesting of such right, a meeting of stockholders of the Corporation has theretofore been held at which holders of the First Preferred Stock were entitled to elect members of the Board of Directors):

Upon the written request of the holders of record of not less than 10% of the total number of shares of the First Preferred Stock then outstanding, regardless of series, addressed to the Secretary of the Corporation, the Secretary or an Assistant Secretary of the Corporation shall call a special meeting of the stockholders entitled to vote for the election of directors, for the purpose of electing members of the Board of Directors. Such meeting shall be held at the place for the holding of annual meetings of stockholders of the Corporation within 30 days after personal service of the said written request upon the Secretary of the Corporation, or within 30 days after mailing the same within the United States of America by registered mail addressed to the Secretary of the Corporation at its principal office. If such meeting shall not be called within 20 days of such personal service or mailing, then the holders of record of not less than 10% of the total number of shares of the First Preferred Stock then outstanding, regardless of series, may designate in writing one of their number to call such special meeting at the expense of the Corporation, and such meeting may be called by such person so designated upon the notice required for annual meetings of stockholders and shall be held at the place for the holding of annual meetings of stockholders of the Corporation. Any holder of the First Preferred Stock so designated shall have access to the stock books of the Corporation for the purpose of causing said meeting to be called as aforesaid.

At any annual or special meeting held for the purpose of electing directors when the holders of the First Preferred Stock shall be entitled to elect members of the Board of Directors as aforesaid, the presence in person or by proxy of the holders of one-third of the total number of outstanding shares of the class or classes of stock of the Corporation other than the First Preferred Stock entitled to elect directors as aforesaid shall be required to constitute a quorum of such class or classes for the election of directors by such class or classes, and the presence in person or by proxy of the holders of one-third of the total number of outstanding shares of the First Preferred Stock shall be required to constitute a quorum of such class for the election of directors by such class; provided, however, that a majority of those holders of the stock of either such class (or classes) who are present in person or by proxy shall have power to adjourn such meeting for the election of directors by such class from time to time without notice other than announcement at the meeting; and provided, further, that the absence of a quorum of the First Preferred Stock shall not prevent the election of the members of the Board of Directors to be elected by the holders of stock other than the First Preferred Stock, and the absence of a quorum of stock other than the First Preferred Stock shall not prevent the election of the members of the Board of Directors to be elected by the holders of the First Preferred Stock.

At any meeting of stockholders for the purpose of electing directors during such time as the holders of shares of the First Preferred Stock shall be entitled to elect members of the Board of Directors as aforesaid, each holder of shares of the First Preferred Stock shall be entitled to one vote for each share thereof held.

Upon the election of members of the Board of Directors by the holders of the First Preferred Stock, pursuant to the provisions of this subdivision (H), the term of office of all directors then in office shall terminate; and no delay or failure by the holders of other classes of stock in electing the remainder of the Board of Directors shall invalidate the election of directors by the holders of the First Preferred Stock.

Upon any termination of the right of the holders of the First Preferred Stock to elect members of the Board of Directors as aforesaid, the term of office of the directors then in office shall terminate upon the election of members of the Board of Directors, at a meeting of the holders of the class or classes of stock of the Corporation then entitled to vote for directors, which meeting may be held at any time after such termination of such right, and shall be called upon request of holders of record of such class or classes of stock then entitled to vote for directors, in the manner and subject to similar conditions as hereinafter in this subdivision (1) provided with respect to the call of a special meeting of stockholders for the election of directors by the holders of the First Preferred Stock.

In case of any vacancy in the office of a director occurring among the directors elected by the holders of the First Preferred Stock as aforesaid, or of a successor to any such director, the remaining directors so elected, by vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant, and such successor or successors shall be deemed to have been elected by the holders of the First Preferred Stock as aforesaid. Likewise, in case of any vacancy in the office of a director occurring (at a time when the holders of the First Preferred Stock shall be entitled to elect members of the Board of Directors as aforesaid) among the directors elected by the holders of the class or classes of stock of the Corporation other than the First Preferred Stock, or of a successor to any such director, the remaining directors so elected, by vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant, and such successor or successors shall be deemed to have been elected by such holders of the class or classes of stock of the Corporation other than the First Preferred Stock.

(I) Except as herein otherwise expressly provided and except when some mandatory provision of law shall be controlling and, except as regards the special rights of any series of the First Preferred Stock as provided in the resolutions creating such series, whenever shares of two or more series of the First Preferred Stock are outstanding, no particular series of the First Preferred Stock shall be entitled to vote as a separate series on any matter and all shares of the First Preferred Stock of all series shall be deemed to constitute but one class for any purpose for which a vote of the stockholders of the Corporation by classes may now or hereafter be required.

(J) The First Preferred Stock of the Corporation shall not entitle any holder thereof as a matter of right to subscribe for, purchase or receive any part of the unissued stock of the Corporation or any stock of the Corporation to be issued by reason of any increase of the authorized capital stock of the Corporation or any stock of the Corporation purchased by the Corporation or by its nominee or nominees, or to subscribe for, purchase or receive any rights to or options to purchase any such stock or any bonds, certificates of indebtedness, debentures or other securities convertible into or carrying options or warrants to purchase stock or other securities of the Corporation, or have any other prescriptive rights as now or hereafter defined by the laws of the State of New York.

FIRST PREFERRED STOCK

4.00% SERIES A

The designations, preferences, privileges and voting powers of the shares of the first series of the First Preferred Stock of the Corporation, and the restrictions or qualifications thereof, as fixed by the Board of Directors in accordance with the authorization stated in the "Certificate of (1) Increase of the Amount of Authorized Capital Stock from \$4,000,000

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to 172027070, and (2) Authorization of New Shares of First Preferred Stock of the Par Value of \$100 Per Share of St. Regis Paper Company pursuant to Section 36 of the Stock Corporation Law, as filed in the Department of State of the State of New York, September 23, 1946 (hereinafter called the "Section 36 Certificate"), are as follows:

(a) The number of shares to constitute the first series shall be 200,000 and the designation of such series shall be "First Preferred Stock, 4.40% Series A" (hereinafter called the "Stock of Series A").

(b) The dividend rate thereof shall be 4.40% per annum; and the date from which dividends shall be cumulative shall be the date of issue.

(c) The holders of the shares of the Stock of Series A shall have no voting rights, except as otherwise provided in the special voting rights of the "General Provisions Applicable to All Series of First Preferred Stock" set forth in the Section 36 Certificate, and except as hereinafter in this certificate expressly provided.

Without limiting the generality of the exclusion of the holders of said series from voting rights, as aforesaid, the holders of shares of the Stock of Series A shall not be entitled to vote in a proceeding (1) for mortgaging the property and franchises of the Corporation pursuant to Section 16 of the Stock Corporation Law, (2) for authorizing any guaranty pursuant to Section 19 of said law, or (3) for the change of name of the Corporation pursuant to the General Corporation Law of New York, and, except as otherwise provided in the "General Provisions Applicable to All Series of First Preferred Stock", set forth in the Section 36 Certificate, shall not be entitled to vote in a proceeding, (4) for consolidation pursuant to Section 36 of the Stock Corporation Law, (5) for voluntary dissolution pursuant to Section 105 of the Stock Corporation Law, or (6) for sale of the franchises and property of the Corporation pursuant to Section 20 of the Stock Corporation Law.

So long as any shares of Stock of Series A are outstanding, the Corporation shall not, without the consent (given in person or by proxy, either in writing or at a meeting called for that purpose in the manner prescribed by Section 45 of the Stock Corporation Law) of the holders of record of at least two-thirds of the total number of shares of such series then outstanding, voting as a class, issue or permit any subsidiary (as hereinafter defined) to issue any funded debt (as hereinafter defined) for purposes other than the refunding (without increase in principal amount) of outstanding funded debt secured or unsecured, theretofore issued by the Corporation or such subsidiary, respectively, or the redemption or other retirement of outstanding shares of the First Preferred Stock of any series or of stock ranking prior to, or *pari passu* with, the First Preferred Stock, unless, after giving effect to such issue, (a) the consolidated net tangible assets (determined as hereinafter provided) exceed two and one-half times the total principal amount of all outstanding funded debt (excluding any funded debt to be retired in connection with such issue); and (b) the consolidated income of the Corporation and its subsidiaries (determined as hereinafter provided) for any twelve consecutive calendar months within the fifteen calendar months immediately preceding the month within which such funded debt is issued, shall have been in the aggregate not less than two and one-half times the sum of the interest requirements (adjusted by provision for amortization of debt discount and expense of premium, as the case may be, on funded debt) for one year on all of the outstanding funded debt (excluding any funded debt to be retired in connection with such issue) and the full dividend requirements for one year on all outstanding shares (excluding any shares proposed to be retired in connection with such issue) of the First Preferred Stock and Subsidiary Preferred Stock (as hereinafter defined) and all other stock of the Corporation, if any, ranking prior to, or *pari passu* with, the First Preferred Stock with respect to the payment of dividends or upon the dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary.

As used in this subdivision (c), the term "funded debt" shall mean indebtedness of the Corporation or any subsidiary not maturing on demand or within one year after the date

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on which the same was first issued by the Corporation or any subsidiary. The term "issue", when used with reference to funded debt, shall include, without duplication, "assumption", "assumption", "guarantee" and "guaranty". Funded debt shall be deemed to be "issued" when the Corporation or a subsidiary first becomes obligated in respect thereof to a holder other than the Corporation or a subsidiary; it shall be deemed "outstanding" while the Corporation or a subsidiary is obligated in respect thereof to such a holder; and it shall be deemed to be retired when the obligation in respect thereof of the Corporation or a subsidiary to such a holder shall terminate. The Corporation and its subsidiaries shall be deemed "obligated" upon funded debt secured by property owned by the Corporation or a subsidiary, even though not responsible for the payment thereof, and upon funded debt pledged or hypothecated for any purpose.

The term "consolidated net tangible assets" as used in this subdivision (c) shall mean the total of all assets appearing on a consolidated balance sheet of the Corporation and its subsidiaries prepared in accordance with generally accepted accounting practices, less the sum of (a) the book amount of intangible assets such as goodwill, trade-marks, brands, trade-names, patents and unamortized debt discount and expense; (b) any capital write-ups resulting from reappraisals of assets or investments subsequent to June 30, 1946; (c) any reserves, other than general contingency reserves, carried by the Corporation or its subsidiaries as non-current liabilities and not deducted from assets; (d) the amount, if any, at which the stock of the Corporation owned by the Corporation or by any subsidiary appears upon the asset side of such consolidated balance sheet; (e) consolidated current liabilities; and (f) any minority interest in the stocks and surplus of subsidiaries of the Corporation. The term "consolidated current liabilities" shall mean the aggregate of such of the following as would appear on the liability side of such consolidated balance sheet of the Corporation and its subsidiaries: (1) Any and all loans, accounts, bills, notes, acceptances, bonds, debentures or other obligations of any character, except funded debt, payable on demand or maturing in twelve months or less than twelve months after the particular time as of which the calculation is made; (2) Dividends declared but not paid (other than dividends payable in shares of stock); (3) The aggregate amount of all accrued salaries, wages, interest, rents, royalties and other expenses and all estimated and accrued taxes (including, but without limitation, income and capital stock taxes); (4) Any reserves carried by the Corporation or its subsidiaries for contingent current liabilities; and (5) Such other liabilities, other than funded debt, as may be properly included as "current" in accordance with generally accepted accounting practices; provided that no obligations of any character shall for any purpose be deemed to be part of consolidated current liabilities if moneys sufficient to pay and discharge such liabilities in full (either on the date of maturity expressed therein or on such earlier date as such obligations may be redeemed pursuant to the provisions thereof) shall have been deposited with the proper depository or with a bank, trust company or trustee in trust for the payment thereof and such moneys shall not be included in consolidated current assets.

"Consolidated income" for any period for the purposes of this subdivision (c) shall be computed by adding to the consolidated net income of the Corporation and its subsidiaries for said period (determined in accordance with generally accepted accounting practices but without deduction for minority interest attributable to Subsidiary Preferred Stocks), as adjusted by action of the Board of Directors of the Corporation as hereinafter provided, the amount deducted for interest (as so adjusted) in determining such net income. In determining such consolidated net income for any period, there shall be deducted, in addition to other items of expense, the amount charged to income for said period on the books of the Corporation and its subsidiaries for taxes and depreciation expense. In the determination of consolidated income for the purposes of this subdivision (c), the Board of Directors of the Corporation shall make such adjustments by way of increase or decrease in such consolidated income as, in the exercise of its due discretion with the advice of independent public accountants, it may deem appropriate to give effect to changes therein resulting from any

acquisitions or sales of properties or from any redemption, acquisition, purchase, issue, sale or exchange of securities by the Corporation or its subsidiaries effected prior to or in connection with the issue, assumption or reissue of any funded debt or shares of First Preferred Stock then to be issued, assumed or reissued; provided, however, that the Board of Directors need not make any such adjustments which, in the exercise of its due discretion, it shall determine would not materially affect the determination of consolidated income.

The term "subsidiary" as used in this subdivision (c) shall mean any corporation the voting control of which at the time is owned, directly or indirectly, by the Corporation or by one or more subsidiaries of the Corporation, or by the Corporation and by one or more subsidiaries of the Corporation. The term "voting control", as applied to any corporation, shall mean ownership of such number of shares of outstanding stock of such corporation as at the time shall have by the terms thereof ordinary voting power, not dependent upon the happening of any contingency, to elect (at a meeting attended by the holders of all shares of voting stock) a majority of the Board of Directors of such corporation, irrespective of whether or not, at the time, stock of any other class or classes of such corporation shall or might have voting power by reason of the happening of any contingency.

The term "Subsidiary Preferred Stock", as used in this subdivision (c), shall mean shares of stock, which are preferred as to dividends or upon distribution of assets, issued by any subsidiary and owned other than by the Corporation or a subsidiary.

(d) The sum payable per share of Stock, of Series A upon the voluntary dissolution, liquidation or winding up of the Corporation shall be an amount equal to the redemption price of such share (if redeemed for purposes other than of the Sinking Fund) at the date of such payment, as provided in subdivision (e) of this Section III, hereinafter set forth, plus an amount equal to the dividends accrued and unpaid on such share to the date fixed for payment, whether or not earned or declared; and the sum payable per share upon the involuntary dissolution, liquidation or winding up of the Corporation shall be \$100 plus an amount equal to the dividends accrued and unpaid on such share, whether or not earned or declared.

(e) The shares of the Stock of Series A shall be redeemable at the option of the Board of Directors of the Corporation, either as a whole at any time, or in part, from time to time (i) if redeemed for purposes other than of the Sinking Fund hereinafter provided for the benefit of the shares of the Stock of Series A, at a redemption price of \$100 per share if redeemed on or before December 31, 1947, and thereafter with successive reductions in the redemption price of \$0.25 during each successive year after December 31, 1947 and to and including the year ending December 31, 1966, and thereafter at \$100 per share, such redemption price to be increased in each case by an amount equal to the dividends accrued and unpaid thereon to the date fixed for redemption, whether or not earned or declared, or, (ii) if redeemed for purposes of said Sinking Fund at a redemption price of \$100 per share, increased by an amount equal to dividends accrued and unpaid thereon to the date of redemption, whether or not earned or declared, provided that if, at the time of the mailing of notice of any redemption for the purposes of the Sinking Fund, the Corporation shall theretofore have mailed notice of any redemption for purposes other than of the Sinking Fund and the redemption date specified in such notice shall not have passed, or if the Corporation shall mail any notice of any such redemption for purposes other than of the Sinking Fund after the mailing of such notice of redemption for the purposes of the Sinking Fund and prior to the redemption date therein specified, then, in any such event, the redemption price upon any such redemption for the purposes of the Sinking Fund shall be the same as the redemption price on the date of such redemption for purposes other than of the Sinking Fund (the redemption price for purposes of the Sinking Fund as herein provided being hereinafter called the "Sinking Fund redemption price").

(1) The shares of the Stock of Series A shall be entitled to the benefit of an annual Sinking Fund, as follows:

(1) On or before May 25 of each year commencing with the year 1947, the Corporation, so long as any shares of the Stock of Series A shall be outstanding, shall set aside as an annual Sinking Fund payment a sum (hereinafter called the "annual Sinking Fund payment") sufficient to redeem, on the next succeeding July 1, at the Sinking Fund redemption price, increased by an amount equal to dividends accrued and unpaid thereon to the date of redemption, whether or not earned or declared, such percentage of the greatest number of shares of Stock of Series A at any time theretofore outstanding as is specified in respect of such year in the following tabulation (hereinafter called the "Sinking Fund quota"):

<u>Year of Payment</u>	<u>Percentage for Annual Payment</u>
1947 and 1948	2 1/2%
1949 to and including 1968	4%
1969, 1970 and 1971	5%

provided that the Sinking Fund quota for any particular year shall be reduced by such number of shares as may be credited thereagainst by the Corporation, as herein provided, and the amount of the annual Sinking Fund payment for such year shall be correspondingly reduced. The Corporation may credit against the Sinking Fund quota for any year shares of the Stock of Series A, which, after having been issued, shall have been purchased by the Corporation and held as treasury shares or shall have been redeemed by the Corporation for purposes other than of the Sinking Fund; provided that no shares shall be credited against the Sinking Fund quota for any particular year unless the requirements of all Sinking Fund quotas for prior years shall have first been met either through redemption or otherwise. At the time of crediting shares against a Sinking Fund quota, the Corporation shall deliver to the Registrar, for the time being, of the Stock of Series A a certificate setting forth the number of shares so credited and the Sinking Fund quota against which such credit is made. The Corporation shall surrender to such Registrar the certificates representing all shares so credited against a Sinking Fund quota and all shares redeemed by operation of the Sinking Fund not later than the date of such credit or of the surrender of such shares to the Corporation upon redemption, as the case may be, and all such shares shall be cancelled and retired and shall not be reissued and, for all the purposes of this certificate and of the "General Provisions Applicable to All Series of First Preferred Stock" set forth in the Section 36 Certificate, no other shares of stock or funded debt which may be issued shall be deemed to refund any of such shares or to have been issued for the purpose of the redemption or other retirement thereof.

(2) Each annual Sinking Fund payment shall be applied to redeem on the next succeeding July 1, in the manner as provided in respect of shares of First Preferred Stock of all series in case of redemption at the option of the Board of Directors, such number of shares of the Stock of Series A as shall substantially exhaust the moneys then in the annual Sinking Fund; provided, however, that if such moneys do not exceed \$25,000 the Corporation may, but shall not be required to, apply the same to the redemption of shares for purposes of the Sinking Fund in such year. Any unexpended balance remaining in the Sinking Fund shall be added to the next annual Sinking Fund but shall not reduce the Corporation's obligation in respect to such annual Sinking Fund.

(3) Notwithstanding the foregoing, subject to the provisions of paragraph (4) hereof, if the amount of the consolidated net income (determined in accordance with generally accepted accounting practices) of the Corporation and its subsidiaries earned during

any calendar year, after deducting therefrom (a) an amount equal to the full dividend requirements for such year on all outstanding shares of the Stock of Series A or of any other class of stock ranking prior to or on a parity with the Stock of Series A in payment of dividends (together with the amount of all unpaid dividends, if any, accumulated thereon), and (b) the fixed amount of the sinking fund requirements in respect of any funded debt (as defined in subdivision (c) hereof) of the Corporation outstanding during such period (provided that the amount deducted for such sinking fund requirements shall in no event exceed the less of (i) 3% of the maximum aggregate principal amount of such funded debt outstanding at any time after the original issuance of the Stock of Series A and (ii) \$1,200,000), shall be less than the sum required to be set apart on or before the next May 25 as the annual Sinking Fund payment for shares of the Stock of Series A, the Corporation shall not be required to set apart as such next annual Sinking Fund payment more than so much of the sum which, but for this provision, would be required for such next annual Sinking Fund payment as shall be equal to the consolidated net income of the Corporation and its subsidiaries remaining after the deductions as aforesaid. The requirements for annual Sinking Fund payments shall be cumulative, however, so that whenever the consolidated net income of the Corporation and its subsidiaries earned during any subsequent calendar year and remaining after the deductions set forth above shall exceed the annual Sinking Fund payment required to be set apart on or before the next May 25, then to the extent of such excess, subject to the provisions of paragraph (4) hereof, the Corporation shall set apart with such annual Sinking Fund payment the aggregate amount of any deficiency or deficiencies not previously made up in any annual Sinking Fund payments for previous years in the order in which they shall have become due; and the amount so set apart shall be applied to complete the retirement of shares of the Stock of Series A so as to eliminate any deficiencies in such previous annual Sinking Fund payments.

(4) In the event that any other series of First Preferred Stock has provision for annual retirement or sinking fund, the payment of which is conditioned upon the amount of consolidated net income earned during any calendar year and remaining after the deductions set forth in paragraph (3) above, the Corporation shall not be required to set apart as an annual Sinking Fund payment on May 25 of any year more than so much of the sum required for the full annual Sinking Fund payment (which, but for this provision, the Corporation would then be required to set aside) as shall be equal to that percentage of such consolidated net income remaining as aforesaid which is equivalent to the ratio of such full annual Sinking Fund payment to the aggregate of (i) such full annual Sinking Fund payment and (ii) any other sums required to be set apart in the calendar year then current for retirement or sinking funds for all such other series of First Preferred Stock. In the event that such annual retirement or sinking funds of such other series shall be cumulative, the Corporation shall not be required to set apart from the aforesaid excess in the consolidated net income of the Corporation remaining after the deductions aforesaid against any deficiency or deficiencies in any prior annual Sinking Fund payment or payments, an amount greater than the percentage of such excess which is equivalent to the ratio of such deficiency, or the aggregate of such deficiencies, to the aggregate of (i) such deficiency or deficiencies, and (ii) the aggregate deficiencies, if any, with respect to the cumulative retirement or sinking funds for all such other series of First Preferred Stock.

(5) The Corporation may, in any year, on or before May 25, anticipate in whole or in part the annual Sinking Fund payment for the next succeeding year but for no subsequent year.

(6) Any balance remaining in the Sinking Fund when no shares of the Stock of Series A shall remain outstanding shall become a part of the general funds of the Corporation.

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(7) Notwithstanding any of the provisions of this subdivision (I), the Corporation may defer any payment in connection with the Sinking Fund herein provided, it, and so long as, the same would be in violation of any provision of law, now or hereafter applicable, limiting or prohibiting the application of capital funds of the Corporation to such payment or any part thereof.

If and so long as the Corporation shall be in default in the performance or observance of any provision of paragraph (I) or paragraph (2) of this subdivision (I); irrespective of whether such default may be permitted by the provisions of paragraph (3), paragraph (4) or paragraph (7) hereof, the Corporation shall not declare or pay any dividend (other than dividends payable in shares of stock ranking junior to the First Preferred Stock) upon any shares of stock ranking junior to the First Preferred Stock; and whenever any such default, irrespective as aforesaid, shall result in an aggregate deficiency in Sinking Fund quotas amounting to 8% or more of the greatest number of shares of the Stock of Series A at any time theretofore outstanding, the Stock of Series A shall be entitled to voting rights as follows:

(For the purposes of this paragraph, when it is stated that the Stock of Series A shall acquire "limited voting rights" or that "limited voting rights" shall exist, it shall mean that all provisions of subdivision (H) of the General Provisions Applicable to All Series of First Preferred Stock, as set forth in the Section 36 Certificate, shall become or are operative, as the case may be, in the same manner and to the same effect as though dividends payable on the First Preferred Stock had then become in default in an aggregate amount equivalent to six full quarterly dividends on all shares of such First Preferred Stock then outstanding and, as though there were then outstanding no series of First Preferred Stock other than the Stock of Series A and any other series of First Preferred Stock which, by the certificate fixing the voting powers thereof, is given rights similar to those given the Stock of Series A by this paragraph; and when it is stated that the First Preferred Stock shall acquire "general voting rights" or that "general voting rights exist," it shall mean that the provisions of said subdivision (H) shall become, or are operative, as the case may be, by reason of a default in dividends on the First Preferred Stock as therein provided.)

In the event aforesaid, (i) if general voting rights do not exist, the Stock of Series A shall acquire limited voting rights, (ii) if, and as often as, general voting rights thereafter terminate prior to such time as all deficiency in Sinking Fund quotas shall have been made good, the Stock of Series A shall, upon such termination, acquire limited voting rights, and (iii) whenever the Stock of Series A shall have acquired limited voting rights, such limited voting rights shall continue to exist until (x) all deficiency in Sinking Fund quotas shall have been made good (whereupon the limited voting rights shall terminate with the same effect as is provided in said subdivision (H) upon the termination of general voting rights), or (y) the First Preferred Stock shall acquire general voting rights, whichever of said events, (x) or (y), shall have first occurred.

(g) So long as any shares of the Stock of Series A are outstanding:

(1) The Corporation shall not declare or pay any dividend (other than dividends payable in shares of stock ranking junior to the First Preferred Stock) upon any shares of any stock ranking junior to the First Preferred Stock, unless after giving effect to the payment of such dividend the consolidated net current assets (as hereinafter defined) of the Corporation and its subsidiaries shall be not less than \$20,000,000.

The term "consolidated net current assets" means the amount by which the consolidated current assets (determined as hereinafter provided) exceed the consolidated current liabilities (determined as hereinafter provided).

For the purposes of this subdivision (f), the term "consolidated current assets", to the extent permitted by and in all cases as determined in accordance with generally accepted accounting practices, shall include, after eliminating intercompany items, (i) cash and cash items on hand or in transit or on deposit in any bank or trust company which has not suspended business; (ii) stocks, bonds and other securities or obligations which are readily marketable, taken at the current market price thereof or at the fair value thereof if there be no such current market price; (iii) good and collectible notes, trade acceptances, accounts and bills receivable; (iv) inventories of raw materials and supplies, of materials in process of manufacturing, and of manufactured products, all taken on the basis of, and not in excess of, cost or current fair market value, whichever shall be lower, but with proper adjustments in respect of open future contracts, excluding assets of the character described in this clause (iv) which, by reason of any law, rule, order or regulation of any government or governmental agency, domestic or foreign, it is not anticipated could be liquidated or made fully available to the Corporation or its subsidiaries, as the case may be, for general corporate purposes within one year after the date as of which "consolidated current assets" are being determined; and (v) such other assets as generally accepted accounting practices would include within the term "current assets" in the case of a corporation conducting a business the same as or similar to that of the Corporation; all after deduction of adequate reserves in each case where a reserve is proper under generally accepted accounting practices; provided, however, that none of the following shall be deemed to constitute a current asset:

(x) any asset of the character described in clauses (i), (ii) and (iii) of this subdivision which by reason of any law, rule, order or regulation of any government or governmental agency, domestic or foreign, is not at the time fully available to the Corporation or its subsidiaries, as the case may be, for general corporate purposes;

(y) any asset pledged or deposited as security for or for the purpose of paying any obligation which is not included in consolidated current liabilities; provided, however, that "consolidated current assets" shall include any assets of the character defined as "consolidated current assets" which are pledged or deposited as security for or for the purpose of paying any obligation included in consolidated current liabilities; and

(z) stocks, bonds or other securities and obligations issued or owned by the Corporation or any of its subsidiaries.

For the purposes of this subdivision (g), the term "consolidated current liabilities", to the extent permitted by and in all cases as determined in accordance with generally accepted accounting practices, shall mean the aggregate of such of the following as would appear on the liability side of the consolidated balance sheet of the Corporation and its subsidiaries: (1) any and all loans, accounts, bills, notes, acceptances, bonds, debentures or other obligations of any character, payable on demand or maturing in twelve months or less than twelve months after the particular time as of which the calculation is made; (2) dividends declared but not paid (other than dividends payable in shares of stock); (3) the aggregate amount of all accrued salaries, wages, interest, rents, royalties and other expenses, and all estimated and accrued taxes (including, but without limitation, income and capital stock taxes); (4) any reserves carried by the Corporation or its subsidiaries for contingent current liabilities; and (5) such other liabilities as may be properly included as "current" in accordance with generally accepted accounting practices; provided that no obligations of any character shall for any purpose be deemed to be part of consolidated current liabilities if moneys sufficient to pay and discharge such

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liabilities in full (either on the date of maturity expressed therein or on such earlier date as such obligations may be redeemed, pursuant to the provisions thereof) shall have been deposited with the proper depository or with a bank, trust company or trustee in trust for the payment thereof, and (notwithstanding the provisions of subparagraph (y)) such moneys shall not be included in consolidated current assets.

(2) The Corporation shall not declare or pay any dividends (other than dividends payable in shares of stock ranking junior to the First Preferred Stock) upon any shares of any stock ranking junior to the First Preferred Stock except out of surplus earned from and after January 1, 1946.

(3) The Corporation shall not reacquire any shares of any stock ranking junior to the First Preferred Stock except out of surplus earned from and after January 1, 1946, nor unless after giving effect to such reacquisition the consolidated net current assets (as hereinabove defined) of the Corporation and its subsidiaries shall be not less than \$20,000,000, and, further, shall not reacquire any such shares at any time when the payment of dividends on such junior stock would be in contravention of any of the provisions of this certificate or of the "General Provisions Applicable to All Series of First Preferred Stock" set forth in the Section 36 Certificate.

COMMON STOCK

The shares of the Common Stock are subject in all respects to the designations, preferences, privileges and voting powers of the shares of the First Preferred Stock of the Corporation and the restrictions or qualifications thereof.

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

VI. The Corporation hereby designates the Secretary of State of the State of New York as its agent upon whom process in any action or proceeding against it may be served within the State of New York. The address to which the Secretary of State shall mail a copy of any process against the Corporation, which may be served upon him pursuant to law, is No. 230 Park Avenue, New York 17, N. Y.

VII. The duration of the Corporation is perpetual.

VIII. The number of directors of the Corporation shall be eighteen. Directors need not be stockholders of the Corporation. The eighteen directors of the Corporation shall be classified in respect to the time for which they shall severally hold office into three classes, each of which classes shall consist of six directors. Each of the directors of one class shall be originally elected for a term of one year; each of the directors of another class shall be originally elected for a term of two years, and each of the directors of another class shall be originally elected for a term of three years; so that the term of office of one class of directors shall expire each year thereafter. At the annual meetings of stockholders held after the first election of directors by classes, the successors to the class of directors whose terms expire in that year shall be elected to hold office for the term of three years. Directors of each class shall hold office until their successors are duly chosen and qualified.

VIII. The names and Post office addresses of the Directors for the first year are,

George E. Dodge, 27 West 57th St., New York City.
Titus B. Meigs, 16 East 65th St., New York City.
Ferris J. Meigs, St. Regis Falls, Franklin Co., N. Y.
David M. Anderson, 46 Massey St., Watertown, N. Y.
George C. Sherman, 14 Ten Eyck St., Watertown, N. Y.

8713-104-20

IX. The names and Post Office addresses of the subscribers hereto and the number of shares subscribed by each are as follows:

George E. Dodge, 27 West 57th St., New York City	10 shares
Titus B. Meigs, 16 East 65th St., New York City	10 shares
Ferris J. Meigs, St. Regis Falls, Franklin Co., N. Y.	10 shares
David M. Anderson, 46 Massey St., Watertown, N. Y.	10 shares
George C. Sherman, 14 Ten Eyck St., Watertown, N. Y.	10 shares

In Witness Whereof, we have made, signed and acknowledged this Certificate this 9th day of April, 1954.

My K. Ferguson
President
William D. Dixon
Secretary

8713-104-n

STATE OF NEW YORK
COUNTY OF NEW YORK

ss:

On this 7th day of April, 1934, before me personally came ROY K. FERGUSON and WILLARD J. DIXON, to me known and known to me to be the persons described in and who executed the foregoing Certificate, and they thereupon severally duly acknowledged to me that they executed the same.

James J. Sheehy
JAMES J. SHEEHY
Notary Public State of New York
No. 30-3626350

Qualified in Nassau County
Certificates filed in the following offices:
New York County Clerk and Register
Term Expires March 30, 1935

STATE OF NEW YORK
COUNTY OF NEW YORK

ss:

ROY K. FERGUSON and WILLARD J. DIXON, being duly and severally sworn, each for himself deposers and says: That he, the said Roy K. Ferguson, is the President and that he, the said Willard J. Dixon, is the Secretary, of SN. REGIS PAPER COMPANY; that they have been authorized to execute and file the foregoing Certificate by the votes cast in person or by proxy, of the holders of record of a majority of the outstanding shares of said Corporation entitled to vote thereon; that neither the certificate of incorporation nor any other certificate filed pursuant to law requires a larger proportion of votes, and that such votes were cast at a meeting of the stockholders of said Corporation held on the 9th day of April, 1934, upon notice pursuant to Section 43 of the Stock Corporation Law.

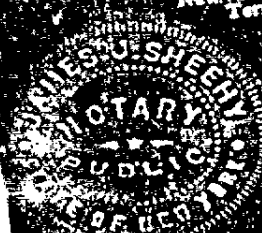
Roy K. Ferguson
Roy K. Ferguson

Willard J. Dixon
Willard J. Dixon

Subscribed and sworn to before me
this 7th day of April, 1934.

James J. Sheehy
Notary Public
JAMES J. SHEEHY
Notary Public State of New York
No. 30-3626350

Qualified in Nassau County
Certificates filed in the following offices:
New York County Clerk and Register
Term Expires March 30, 1935



8713-104-22

STATE OF NEW YORK
COUNTY OF NEW YORK

ss.

ROY K. FERGUSON, being duly sworn, deposes and says: That he is the President of St. Regis Paper Company, the Corporation named in the foregoing Certificate, and makes this affidavit in accordance with the requirements of Subdivision 5 of Section 37 of the Stock Corporation Law.

The number of additional shares not resulting from a change of shares which the Corporation has by the foregoing Certificate authorized to issue is 2,504,286. All of such additional shares are of the par value of Five Dollars (\$5) each.

Roy K. Ferguson
Roy K. Ferguson

Subscribed and sworn to before me
this 7th day of April, 1954.

James J. Sheehy
Notary Public

JAMES J. SHEEHY
Notary Public State of New York
No. 30-3626550
Qualified in Nassau County

State of New York
DEPARTMENT OF STATE

I Certify that I have compared the preceding
copy with the original and find it correct.

St. Regis Paper Company,

with amendments,

filed in this department on the

15th

day of April, 1954

and that such

copy is a correct transcript thereof and of the whole of such original.

Witness my hand and the seal of the Department of State at the
City of Albany, this twenty-first day
of April, one thousand nine hundred
and fifty-four.