

J 39104

FEBRUARY 27, 1998

CORP. NAME: SOUTHERN STEEL DRUM AQUISITION
SOUTHERN STEEL DRUMS INC.

900002443259--4

**FLORIDA
FILING
&
SEARCH
SERVICES,
INC.**



ACCOUNT #: FCA000000015

AUTHORIZATION: PAUL HODGE *R. Hodge*

TYPE: MERGER

COST: \$

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

98 FEB 27 PM 3: 24

FILED

DEPARTMENT OF STATE
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

98 FEB 27 PM 3: 56

RECEIVED

*Merger
03-06-98
CC*



P.O. Box 10662

Tallahassee, Florida

32302-2662

(850) 668-4318

Fax (850) 668-3398



ARTICLES OF MERGER
Merger Sheet

MERGING: -----

SOUTHERN STEEL DRUMS ACQUISITION, INC., a Delaware corporation not
qualified

INTO

SOUTHERN STEEL DRUMS, INC., a Florida corporation, J39104.

File date: February 27, 1998

Corporate Specialist: Cheryl Coulliette

Account number: FCA000000015

Account charged: 70.00



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

March 2, 1998

FLORIDA FILING & SEARCH SERVICES, INC.

TALLAHASSEE, FL

SUBJECT: SOUTHERN STEEL DRUMS, INC.
Ref. Number: J39104

We have received your document for SOUTHERN STEEL DRUMS, INC. .
However, the enclosed document has not been filed and is being returned to you
for the following reason(s):

The document must have original signatures.

Please return your document, along with a copy of this letter, within 60 days or
your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call
(850) 487-6903.

Cheryl Coulliette
Document Specialist

Letter Number: 098A00011374

ARTICLES OF MERGER
OF
SOUTHERN STEEL DRUMS ACQUISITION, INC.
AND
SOUTHERN STEEL DRUMS, INC.

FILED
98 FEB 27 PM 4:24
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

To the Secretary of State of Florida

Pursuant to the provisions of the Florida Business Corporation Act, the foreign business corporation and the domestic business corporation herein named do hereby submit the following Articles of Merger:

FIRST. Annexed hereto and made a part hereof is the Plan of Merger for merging Southern Steel Drums Acquisition, Inc., a Delaware corporation ("Acquisition"), with and into Southern Steel Drums, Inc., a Florida corporation ("Southern Steel").

SECOND. The merger of Acquisition with and into Southern Steel is permitted by the laws of the jurisdiction of organization of Acquisition (Delaware) and is in compliance with said laws. The date of adoption of the Plan of Merger by the shareholders of Acquisition was February 27, 1998.

THIRD. The shareholders of Southern Steel entitled to vote thereon approved and adopted the aforesaid Plan of Merger by written consent given on February 27, 1998, in accordance with the provisions of the Florida Business Corporation Act.

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PLAN OF MERGER

This Plan of Merger has been adopted and approved by Southern Steel Drums Acquisition, Inc., a Delaware corporation ("Acquisition"), and Southern Steel Drums, Inc., a Florida corporation ("Southern Steel"), as of February 27, 1998.

1. The names of the corporations planning to merge are Southern Steel Drums Acquisition, Inc. and Southern Steel Drums, Inc., with Southern Steel Drums, Inc. as the surviving corporation.

2. Acquisition, shall, pursuant to the provisions of the laws of the State of Delaware and the provisions of the Florida Business Corporation Act, be merged with and into Southern Steel, which shall be the surviving corporation at the effective time and date of the merger and which is sometimes hereinafter referred to as the "surviving corporation," and which shall continue to exist as said surviving corporation under its present name pursuant to the provisions of the Florida Business Corporation Act. The separate existence of Acquisition, which is sometimes hereinafter referred to as the "non-surviving corporation," shall cease at the effective time and date of the merger in accordance with the laws of the jurisdiction of its organization.

3. The Articles of Incorporation of the surviving corporation at the effective time and date of the merger shall be the Articles of Incorporation of said surviving corporation, and said Articles of Incorporation shall continue in full force and effect until amended and changed in the manner prescribed by the provisions of the Florida Business Corporation Act.

4. The bylaws of the surviving corporation will be the bylaws of said surviving corporation and will continue in full force and effect until changed, altered or amended as therein provided and in the manner prescribed by the provisions of the Florida Business Corporation Act.

5. The directors of the non-surviving corporation in office at the effective time and date of the merger shall be the members of the Board of Directors of the surviving corporation, all of whom shall hold their directorships until the election and qualification of their respective successors or until their tenure is otherwise terminated in accordance with the bylaws of the surviving corporation.

6. Each issued and outstanding share of the non-surviving corporation immediately prior to the effective time and date of the merger shall at the effective time and date of the merger be converted into one share of the surviving corporation. The issued and outstanding shares of the surviving corporation shall be converted into the right to receive, and become exchangeable for, an aggregate of 246,683 shares of common stock, \$0.01 par value per share, of PalEx, Inc., a Delaware corporation and the parent corporation of the non-surviving corporation ("PalEx").

7. The merger of the non-surviving corporation with and into the surviving corporation has been authorized in the manner prescribed by the laws of Delaware, and the Plan of Merger has been submitted to, and approved by, the shareholders of the surviving corporation in the manner prescribed by the provisions of the Florida Business Corporation Act.

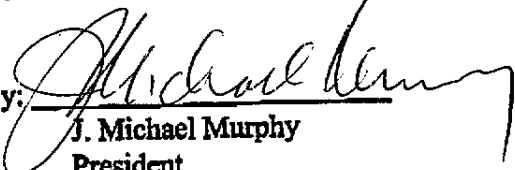
8. The non-surviving corporation and the surviving corporation hereby stipulate that they will cause to be executed and filed and/or recorded any document or documents prescribed by the laws of the State of Delaware and the State of Florida and that they will cause to be performed all necessary acts therein and elsewhere to effectuate the merger.

9. The Board of Directors and the proper officers of the non-surviving corporation, the surviving corporation and PalEx, respectively, have been authorized, empowered, and directed to do any and all acts and things, and to make, execute, deliver, file, and/or record any and all instruments, papers, and documents which shall be or become necessary, proper, or convenient to carry out or put into effect any of the provisions of the Plan of Merger or of the merger herein provided for.

The merger herein provided for shall be effective upon the filing of the Articles of Merger with the Secretary of State of the State of Florida and the filing of a certificate of merger with the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, the undersigned officers of the respective entities have executed these Articles of Merger to be effective as of the 27th day of February, 1998.

SOUTHERN STEEL DRUMS, INC.

By: 
J. Michael Murphy
President

SOUTHERN STEEL DRUMS
ACQUISITION, INC.

By: 
Edward Rhyne
Vice President