

4. The Corporation is also the owner of all of the outstanding shares of the stock of East Highlands Company, a corporation incorporated on January 29, 1954 pursuant to the General Corporation Act of the State of Tennessee.

5. On December 17, 1980, the Board of Directors of the Corporation at a meeting duly convened adopted the following resolutions to merge Bowater Carolina Corporation, Bowater Southern Paper Corporation and East Highlands Company into the Corporation, such mergers to become effective December 31, 1980.

RESOLVED, that Bowater Carolina Corporation, Bowater Southern Paper Corporation and East Highlands Company, wholly owned subsidiaries of the Corporation, be merged into the Corporation, and that all of the estate, property, rights, privileges, powers and franchises of Bowater Carolina Corporation, Bowater Southern Paper Corporation and East Highlands Company be vested in and held and enjoyed by the Corporation as fully and entirely and without change or diminution as the same were before held and enjoyed by Bowater Carolina Corporation, Bowater Southern Paper Corporation and East Highlands Company, respectively; and further

RESOLVED, that the Corporation shall be the surviving Corporation and shall assume all of the obligations of Bowater Carolina Corporation, Bowater Southern Paper Corporation and East Highlands Company; and further

RESOLVED, that the form, terms and provisions of the proposed Certificate of Ownership and Merger (the "Certificate of Ownership and Merger") pursuant to Section 253 of the General Corporation Law of the State of Delaware, which has been presented to this Board and is attached to the minutes of the meeting as Exhibit A, be, and the same hereby are, in all respects approved; and further

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