

AGREEMENT OF MERGER [ARTICLES OF MERGER], hereinafter called "this Agreement," dated for convenience as of the 7th day of September, 1955, although to become effective at a later date as hereinafter provided, by and between CROWN ZELLERBACH CORPORATION, a corporation of the State of Nevada (hereinafter sometimes called the "Surviving Corporation"); and its Directors or a majority thereof, parties of the first part, and GAYLORD CONTAINER CORPORATION, a corporation of the State of Maryland (hereinafter sometimes called "Gaylord"), and its Directors or a majority thereof, parties of the second part; said two corporations, parties hereto, being together hereinafter sometimes called the "Constituent Corporations."

WHEREAS, the Surviving Corporation is a corporation duly organized and existing under the laws of the State of Nevada, and was incorporated on August 28, 1924 under an act of the Legislature of the State of Nevada entitled "An Act Providing a General Corporation Law," approved March 16, 1903, and all acts amendatory thereof; and the Surviving Corporation registered to do interstate business in the State of Maryland on the 26th day of November, 1937; and

WHEREAS, Gaylord is a corporation duly organized and existing under the laws of the State of Maryland and was incorporated under the laws of said state on the 16th day of June, 1937; and

WHEREAS, the Constituent Corporations are authorized by their respective Articles of Incorporation and Charter to carry on substantially the same or similar kinds of business; and

WHEREAS, the principal office or place of business of the Surviving Corporation in the State of Nevada is located at No. 15 East First Street, Reno, Washoe County, Nevada, in the office of Nevada Corporation Service and Trust Company, which is the resident agent of the Surviving Corporation in Nevada and the address of which is as aforesaid; and the principal office and place of business of Gaylord in the State of Maryland is located at No. 10 Light Street, Baltimore, Maryland, and its resident agent is The Corporation Trust Incorporated, the post office address of which is also No. 10 Light Street, Baltimore, Maryland; and

WHEREAS, the total number of shares of stock of all classes which the Surviving Corporation has authority to issue is 15,556,887 shares, divided into two classes as follows: 556,887 shares of Cumulative Preferred Stock, without nominal or par value, issuable in one or more series, and 15,000,000 shares of Common Stock of the par value of Five Dollars (\$5) per share and of the aggregate par value of \$75,000,000, of which 309,990 shares of the initial series of \$4.20 Cumulative Preferred Stock, without nominal or par value, and 11,055,969 shares of said Common Stock (par value \$5 per share) have been duly issued and at the date hereof are outstanding; and

WHEREAS, the total number of shares of stock of all classes which Gaylord has authority to issue is 4,040,000 shares, divided into two classes as follows: 40,000 shares of 5½% Cumulative Convertible Preferred Stock of the par value of Fifty Dollars (\$50) per share and 4,000,000 shares of Common Stock of the par value of \$1.66⅔ per share (the aggregate par value of all such authorized shares of all classes being \$8,666,666⅔), of which 2,695,519 Common shares have been duly issued and at the date hereof are outstanding, and none of said shares of Preferred Stock is now outstanding; and

WHEREAS, Gaylord neither has nor will have on the effective date of this Agreement any outstanding options to purchase any shares of its authorized classes of stock; and

WHEREAS, neither of the Constituent Corporations has now nor will have on the effective date of this Agreement any fractions of a share, or scrip representing any fractions of a share, of any class outstanding; and

WHEREAS, the respective Boards of Directors of the Constituent Corporations deem it advisable for the general welfare and advantage of the Constituent Corporations and their respective stockholders that Gaylord be merged into the Surviving Corporation as authorized by and pursuant to the applicable provisions of the laws of the State of Nevada and the State of Maryland, as respectively amended and supplemented;

Now, THEREFORE, in consideration of the premises and of the mutual agreements, covenants and provisions herein contained, the parties hereto have agreed and do hereby agree, each with the other, that Gaylord Container Corporation shall be merged into Crown Zellerbach Corporation and they are hereby merged in accordance with the applicable provisions of the laws of the State of Nevada and of the State of Maryland, and do hereby agree upon and prescribe the terms and conditions of the merger (hereinafter called the "Merger"), the mode of carrying the same into effect, and the manner and basis of causing the shares of each of the Constituent Corporations to constitute or to be converted into shares of the Surviving Corporation, as follows: