

# ARTICLES OF MERGER

Pursuant to the provisions of Section 30-1-1105 of the Idaho Business Corporation Act, the undersigned corporations adopt the following Articles of Merger for the purpose of merging them into one of such corporations.

1. **The name of the surviving corporation in the merger is:** Alderwoods (Idaho), Inc., a corporation organized and existing under the laws of the state of Idaho.
2. **The Plan of Merger is as follows:**

## PLAN OF MERGER

THIS PLAN OF MERGER (this "Plan"), dated as of December 19, 2001, is made by and among Reynolds Funeral Chapel, Inc. and White Mortuary, Inc., both of which are Idaho corporations (hereinafter sometimes referred to as the "Merging Corporations") and Alderwoods (Idaho), Inc., an Idaho corporation ("Alderwoods").

## RECITALS

Loewen Group International, Inc. ("LGII") is a corporation for profit organized under the laws of the State of Delaware. Alderwoods and the Merging Corporations are wholly-owned subsidiaries of LGII.

The authorized capital stock of Alderwoods consists of 1000 common shares, with no par value, 1000 of which are issued and outstanding.

The authorized capital stock of Reynolds Funeral Chapel, Inc. consists of 1000 common shares, with no par value, 1000 of which are issued and outstanding.

The authorized capital stock of White Mortuary, Inc. consists of 1000 common shares, \$100 par value, 125 of which are issued and outstanding.

The Merging Corporations and Alderwoods desire to effect a merger whereby the Merging Corporations will merge with and into Alderwoods (the "Merger"), with Alderwoods to be the Surviving Corporation.

The Boards of Directors of the Merging Corporations have determined that it is advisable and in the best interests of the respective corporations to merge with and into Alderwoods subject to the terms and conditions provided herein and, pursuant to Idaho Business Corporation Act § 30-1-821 have by resolution duly adopted and approved this Plan and submitted it to a vote of the Shareholders of each of the Merging Corporations.

The Board of Directors of Alderwoods has determined that it is advisable and in the best interests of Alderwoods to merge with the Merging Corporations subject to the terms and conditions provided herein. The Board of Directors of Alderwoods has by resolution duly adopted and approved this Plan and has directed that it be submitted to a vote of the Shareholder of Alderwoods.

## AGREEMENTS

The Merging Corporations and Alderwoods hereby agree as follows:

### ARTICLE 1

#### THE MERGER

1.1 *The Merger.* Subject to the terms and conditions of this Plan, at the Effective Time (as defined in section 1.2), and in accordance with the terms and conditions of this Plan and Idaho Business Corporation Act § 30-1-1101, the Merging Corporations shall be merged with and into Alderwoods. At the Effective Time, the separate corporate existence of each of the Merging Corporations shall cease, and Alderwoods shall continue its existence as the surviving corporation under the laws of the State of Idaho (the "Surviving Corporation").

1.2 *Effective Time of the Merger.* Upon the execution of this Plan, duly executed articles of merger shall be executed by Alderwoods and filed with the Secretary of State for the State of Idaho pursuant to Idaho Business Corporation Act § 30-1-1105. The Merger shall become effective in accordance with the provisions of Idaho Business Corporation Act § 30-1-1105 at 12:30 p.m. Eastern Standard Time on January 3, 2002 (the "Effective Time").

1.3 *Effects of the Merger.* At the Effective Time of the Merger, the effects of the Merger shall occur as provided in Idaho Corporation Act § 30-1-1106. Subject to, and without limiting the foregoing, the following shall also occur at the Effective Time:

1.3.1 *Articles of Incorporation of the Surviving Corporation.* The Articles of Incorporation of Alderwoods, as in effect immediately prior to the Effective Time, shall be the Articles of Incorporation of the Surviving Corporation until altered, amended or repealed in accordance with the provisions thereof and with the Idaho Business Corporation Act.

1.3.2 *By-Laws of the Surviving Corporation.* The By-Laws of Alderwoods, as in effect immediately prior to the Effective Time, shall be the By-Laws of the Surviving Corporation until altered, amended or repealed in accordance with the provisions thereof and with the Idaho Business Corporation Act.

1.3.3 *Directors of Surviving Corporation.* Each person who is a director of Alderwoods immediately prior the Effective Time shall continue to be a director of the Surviving Corporation from and after the Effective Time until their successors are duly elected or appointed, or until their death, resignation, or removal.

1.3.4 *Officers of Surviving Corporation.* The officers of Alderwoods immediately prior to the Effective Time shall be the officers of the Surviving Corporation, and each such officer shall serve until his or her successor is elected or appointed or until his or her death, resignation, or removal.

## ARTICLE 2

### MANNER, BASIS, AND EFFECT OF CONVERTING SHARES

#### 2.1 Conversion of Shares. At the Effective Time:

- (a) Each common share stock of each of the Merging Corporations issued and outstanding or held in treasury prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be cancelled and all rights in respect thereof shall cease, and no shares of stock of the Surviving Corporation shall be issued in exchange therefor.
- (b) Each common share of stock of Alderwoods issued and outstanding or held in treasury immediately prior to the Effective Time shall remain a share of common stock of Alderwoods and will retain the same rights and privileges as it had prior to the Effective Time.
- (c) Each share certificate which immediately prior to the Effective Time represented an outstanding share of the Merging Corporations' common stock shall be surrendered to Alderwoods to be cancelled and retired.

## ARTICLE 3

### MISCELLANEOUS

3.1 *Best Efforts.* The Board of Directors and the proper officers of LGII are hereby 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 this Plan of Merger or of the merger herein provided for.

3.2 *Counterparts.* This Plan may be executed in one or more counterparts, each of which shall be deemed to be an original and the same agreement.

3.3 *Severability.* In case any provision of this Plan shall be held invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions of the Plan will not in any way be affected or impaired thereby.

3.4 *Governing Law.* This Plan shall be construed and interpreted in accordance with the laws of the State of Idaho.

#### 3. **The Plan of Merger was adopted by the constituent corporations in the following manner:**

- (a) The Plan was approved by resolution adopted by the board of directors of each constituent corporation.

- (b) As to the approval of the Plan by the shareholders of Alderwoods (Idaho), Inc. the designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan, and the total number of undisputed votes cast for the Plan separately by each such voting group by unanimous written consent is as follows:

<u>Designation</u>	<u>Number of Outstanding Shares</u>	<u>Number of Votes Entitled to be Cast</u>	<u>Number of Undisputed Votes For</u>
Common	1000	1000	1000

- (c) As to the approval of the Plan by the shareholders of Reynolds Funeral Chapel, Inc., the designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan, and the total number of undisputed votes cast for the Plan separately by each such voting group by unanimous written consent is as follows:

<u>Designation</u>	<u>Number of Outstanding Shares</u>	<u>Number of Votes Entitled to be Cast</u>	<u>Number of Undisputed Votes For</u>
Common	1000	1000	1000

- (d) As to the approval of the Plan by the shareholders of White Mortuary, Inc., the designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan, and the total number of undisputed votes cast for the Plan separately by each such voting group by unanimous written consent is as follows:

<u>Designation</u>	<u>Number of Outstanding Shares</u>	<u>Number of Votes Entitled to be Cast</u>	<u>Number of Undisputed Votes For</u>
Common	125	125	125

The number of undisputed votes cast for the Plan, as set forth above for each voting group, was sufficient for approval by that voting group.

Dated as of December 19, 2001

ALDERWOODS (IDAHO), INC.

By: *L. Langford*  
 Laurel Langford, Secretary