

State of Idaho

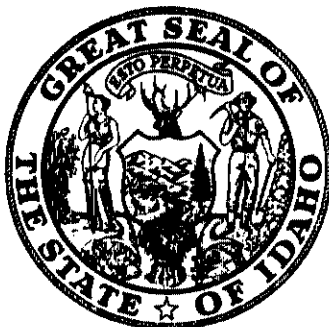
Department of State

CERTIFICATE OF MERGER OR CONSOLIDATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Merger of KENNEVICK INSURANCE AGENCY, INC., an Idaho corporation, into FIRST SECURITY INSURANCE, INC., a Utah corporation, duly signed and verified pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this certificate of merger, and attach hereto a duplicate original of the Articles of Merger.

Dated: December 16, 1993



Pete T. Cenarrusa
SECRETARY OF STATE

By *Shirley J. Clark*

**Articles of Merger
of
Kennevick Insurance Agency, Inc.
(an Idaho Corporation),
into
First Security Insurance, Inc.
(a Utah Corporation)**

DEC 16 4 39 PM '93
SECRETARY OF STATE

IN ACCORDANCE WITH the provisions of Sections 30-1-74 and 30-1-77 of the Idaho Business Corporation Act, and Sections 16-10a-1105 and 16-10a-1107 of the Utah Revised Business Corporation Act, the undersigned corporations hereby adopt the following Articles of Merger for the purpose of merging them into one of such corporations:

FIRST: The names of the undersigned corporations and the states under the laws of which they are respectively organized are:

<u>Name of Corporation</u>	<u>State</u>
First Security Insurance, Inc.	Utah
Kennevick Insurance Agency, Inc.	Idaho

SECOND: The laws of the state in which each corporation is organized permit such a merger.

THIRD: The name of the surviving corporation is First Security Insurance, Inc., and it will continue to be governed by the laws of the State of Utah.

FOURTH: The Plan of Merger attached hereto as Exhibit A was approved by the shareholders of First Security Insurance, Inc. in the manner prescribed by the Utah Revised Business Corporation Act, and by the shareholders of Kennevick Insurance Agency, Inc. in the manner prescribed by the Idaho Business Corporation Act.

FIFTH: As to each of the undersigned corporations, the number of shares outstanding, and the designation and number of outstanding shares of each class entitled to vote on such Plan (none of which are entitled to vote as a class), are as follows:

<u>Name of Corporation</u>	<u>Class</u>	<u>Number of Shares Outstanding</u>
First Security Insurance Inc.	Common	100
Kennevick Insurance Agency, Inc.	Common	

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SIXTH: As to each of the undersigned corporations, the total number of shares voted for and against the Plan, respectively, are as follows:

<u>Name of Corporation</u>	Shares Voted	Shares Voted
	<u>For</u>	<u>Against</u>
First Security Insurance Inc.	100	0
Kennevick Insurance Agency, Inc.	129	0

In each instance, all outstanding shares were represented at the respective meetings, and the number of votes cast for approval of the Plan was sufficient for approval of the Plan.

SEVENTH: First Security Insurance, Inc., as the surviving corporation, hereby:

(a) agrees that it may be served with process in the State of Idaho in any proceeding for the enforcement of any obligation of the undersigned Idaho corporations and in any proceeding for the enforcement of the rights of a dissenting shareholder of any such Idaho corporation against the surviving corporation;

(b) irrevocably appoints the Secretary of State of the State of Idaho as its agent to accept service of process in any such proceeding; and

(c) agrees that it will promptly pay to the dissenting shareholders of the undersigned Idaho corporations the amount, if any, to which they shall be entitled under provisions of the Idaho Business Corporation Act with respect to the rights of dissenting shareholders.

Dated September 2, 1993.

FIRST SECURITY INSURANCE INC.

By: 
President

By: 
Secretary

[signatures continue on next page]

KENNEVICK INSURANCE AGENCY, INC.

By: Jack C. Kennick
President

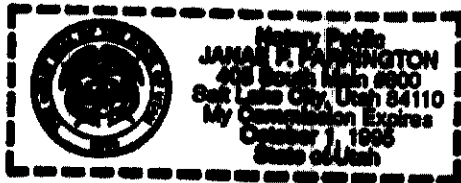
By: Mary Anne Kennick
Secretary

STATE OF UTAH)

) ss.

COUNTY OF SALT LAKE)

I, JaNae Farrington, a notary public, do hereby certify that on this 2 day of September, 1993, personally appeared before me Daniel S Schull, who, being by me first duly sworn, declared that he is the President of First Security Insurance Inc., that he signed the foregoing document as President of the corporation, and that the statements therein contained are true.



(seal)

JaNae P. Farrington
Notary Public

Residing at: 405 S. Main Street

My commission expires: 10-1-95

STATE OF Idaho)

) ss.

COUNTY OF Ada)

I, Jeanette L Odell, a notary public, do hereby certify that on this 16th day of December, 1993, personally appeared before me Jack Kenneville who, being by me first duly sworn, declared that he is the President of Kenneville Insurance Agency, Inc., that he signed the foregoing document as President of the corporation, and that the statements therein contained are true.

(seal)

Jeanette L Odell
Notary Public

Residing at: Boise ID

My commission expires: 3-4-94

**Plan of Merger
Among**

**First Security Insurance, Inc.
(a Utah Corporation), and
Kennevick Insurance Agency, Inc.
(an Idaho Corporation),**

THIS PLAN OF MERGER (this "*Agreement*") is made and entered into as of the 2nd day of September, 1992, by First Security Corporation, a Delaware corporation ("*FSC*"), First Security Insurance Inc., a Utah corporation (herein sometimes referred to as "*FSI*" or the "*Surviving Corporation*"), and Kennevick Insurance Agency, Inc., an Idaho corporation ("*Kennevick*"); FSI, Kennevick being sometimes referred to jointly as the "*Constituent Corporations*").

RECITALS

A. FSC is a corporation duly incorporated and validly existing under the laws of the State of Delaware, with its principal place of business located at 79 South Main Street, Salt Lake City, Utah. FSC is authorized by its Articles of Incorporation to issue (i) 400,000 shares of preferred stock, no par value ("*FSC Preferred Stock*"), 18,052 of which are designated as Class A Preferred Stock, of which 13,841 were issued and outstanding on June 30, 1993, and (ii) 150,000,000 shares of Common Stock, par value \$1.25 per share ("*FSC Common Stock*"), of which as of June 30, 1993, there were 39,270,288 shares (net of Treasury) issued and outstanding.

B. FSI is a corporation duly incorporated and validly existing under the laws of the State of Utah, with its principal place of business located at 405 South Main Street, Salt Lake City, Utah. FSI is authorized by its Articles of Incorporation to issue 10,000 shares of Common Stock, par value \$10.00 per share ("*FSI Common Stock*"), of which as of the date of this Agreement there were 100 shares issued and outstanding, and all of which are owned by FSC.

C. Kennevick is a corporation duly incorporated and validly existing under the laws of the State of Idaho, with its principal office located at 1 Mesa Drive, Boise, Idaho 83705. Kennevick is authorized by its Articles of Incorporation to issue 250 shares of Common Stock, par value \$100.00 per share ("*Kennevick Common Stock*"), of which as of the date of this Agreement there were 129 shares issued and outstanding, and all of which are owned by the Kennevick Shareholders.

D. The board of directors of FSC and of each of the Constituent Corporations deems it advisable that Kenneville be merged with and into FSI upon the terms and subject to the conditions set forth in this Agreement, in accordance with the applicable provisions of the statutes of the States of Idaho and Utah, which permit such merger.

AGREEMENT

In consideration of the foregoing recitals and of the agreements, covenants and provisions hereinafter contained, FSC, FSI, Kenneville, by their respective boards of directors, have agreed and do hereby agree, each with the others as follows:

ARTICLE I - MERGER

FSI, Kenneville shall be merged into a single corporation, in accordance with applicable provisions of the laws of the States of Idaho and Utah, by Kenneville merging into FSI, which shall be the Surviving Corporation (such transaction being herein called the "Merger").

ARTICLE II - EFFECT OF THE MERGER

Upon the Merger becoming effective as provided in the applicable laws of the States of Idaho and Utah (the time when the Merger shall so become effective being sometimes herein referred to as the "*Effective Time*" of the merger):

2.1 Merger. The two Constituent Corporations shall be a single corporation, which shall be FSI as the Surviving Corporation, and the separate existence of Kenneville shall cease except to the extent provided by the laws of the State of Idaho in the case of a corporation after its merger into another corporation.

2.2 Rights, Privileges and Assets. FSI shall thereupon and thereafter possess all the rights, privileges, immunities and franchises, as well of a public as of a private nature, of each of the Constituent Corporations; and all property, real, personal and mixed, and all debts due on whatever account, including subscriptions to shares, and all other choses in action, and all and every other interest of, or belonging to, or due to each of the Constituent Corporations, shall be taken and deemed to be vested in the Surviving Corporation without further act or deed; and the title to all real estate, or any interest therein, vested in any of the Constituent Corporations shall not revert or be in any way impaired by reason of the Merger.

2.3 Liabilities and Obligations. FSI shall thenceforth be responsible and liable for all of the liabilities and obligations of each of the Constituent Corporations; and any claim

existing or action or proceeding pending by or against any of the Constituent Corporations may be prosecuted to judgment as if the merger had not taken place, or the Surviving Corporation may be substituted in its place, and neither the rights of creditors nor any liens upon the property of any of the Constituent Corporations shall be impaired by the Merger.

2.4 Articles of Incorporation. The Articles of Incorporation of FSI as existing and constituted immediately prior to the Effective Time of the Merger shall be and constitute the Articles of Incorporation of the Surviving Corporation.

2.5 Bylaws. The Bylaws of FSI as existing and constituted immediately prior to the Effective Time of the Merger shall be and constitute the Bylaws of the Surviving Corporation.

2.6 Directors and Officers. The board of directors, and the members thereof, and the officers, of FSI immediately prior to the Effective Time of the Merger shall be and constitute the board of directors, and the members thereof, and the officers of the Surviving Corporation.

ARTICLE III - CONVERSION OF SHARES

3.1 Basis for Conversion of Shares. The basis for converting and exchanging the issued and outstanding shares of the stock of each of the Constituent Corporations shall be as follows:

(a) **FSI Shares.** All shares of FSI Common Stock that are outstanding immediately prior to the Effective Time of the Merger shall continue to be outstanding immediately after the Effective Time of the Merger.

(b) **Kennevick Common Stock.** Each share of Kennevick Common Stock that is outstanding immediately prior to the Effective Time of the Merger shall be converted, *ipso facto*, and without any action on the part of the holder thereof, at the Effective Time of the Merger, into 71,69422 shares of FSC Common Stock.

3.2 Surrender of Certificates.

(a) **Rights Upon Surrender.** After the Effective Time of the Merger, each holder of shares of Kennevick Common Stock outstanding immediately prior to the Effective Time of the Merger shall, upon surrender for cancellation of a certificate or certificates representing such shares to FSC or its agent designated for such purpose, be entitled to receive such cash and a certificate or certificates representing the number of shares of FSC Common Stock into which such shares of Kennevick Common Stock shall have been converted pursuant to the provisions of this Article.

(b) Rights Pending Surrender. Until so surrendered, the certificates which, prior to the Merger represented shares of Kennevik Common Stock, shall be deemed, for all corporate purposes, to evidence the right to receive the cash and the ownership of the shares of FSC Common Stock into which such shares of Kennevik Common Stock shall have been converted; provided, however, that (a) no dividends with respect to shares of Kennevik Common Stock so converted to FSC Common Stock shall be paid until the holder shall have surrendered certificates therefor, at which time the holder shall be paid the amount of dividends, if any, without interest, which shall theretofore have become payable with respect to the shares of FSC Common Stock into which such shares shall have been converted, and (b) no interest shall accrue or be payable with respect to the amount of cash into which such shares shall have been converted.

(c) Issuance of Certificates in Different Name. If any certificate for shares of FSC Common Stock is to be issued in a name other than that in which the certificate surrendered in exchange therefor is registered, it shall be a condition of the issuance thereof that the certificate so surrendered shall be properly endorsed and otherwise in proper form for transfer, and that the person requesting such exchange pay to FSC or its agent designated for such purpose any transfer or other taxes required by reason of the issuance of a certificate for shares of FSC Common Stock in any name other than that of the registered holder of the certificate surrendered, or establish to the satisfaction of FSC or its agent that such tax has been paid or is not payable.

3.3 Fractional Shares. No fractional shares of FSC Common Stock shall be issued in the Merger, but, in lieu of any fractional shares, each holder of shares of Kennevik Common Stock who would otherwise have been entitled to a fraction of a share of FSC Common Stock upon surrender of stock certificates as provided in Section 3.2 above will, upon such surrender, be paid an amount of cash (without interest) determined by multiplying (a) the value of FSC Common Stock determine as the average of the closing sales prices of FSC Common Stock as quoted in the NASDAQ National Market System for the ten trading days immediately preceding the closing, by (b) the fractional share interest in FSC Common Stock to which the holder would otherwise be entitled.

ARTICLE IV - EXPENSES

Each of the parties to this Agreement shall pay its own charges and costs incurred or to be incurred in connection with the execution and performance of this Agreement.

ARTICLE V - FURTHER ACTIONS

If at any time the Surviving Corporation shall consider or be advised that any further assignment or assurance in law is necessary or desirable to vest in the Surviving Corporation the title to any property or rights of Kenneville, the proper officers and directors of Kenneville, as the case may be, shall and will execute and make all such proper assignments and assurances in law and do all things necessary or proper to thus vest such property or rights in the Surviving Corporation, and otherwise to carry out the purposes of this Plan and Agreement of Merger.

ARTICLE VI - SHAREHOLDER VOTE

This Agreement shall be submitted to the shareholders of each of the Constituent Corporations, as provided by law, and shall take effect, and be deemed and be taken to be the Plan of Merger of such corporations upon the approval or adoption thereof by the shareholders of each of the Constituent Corporations in accordance with the requirements of the laws of the States of Idaho and Utah and upon the execution, filing and recording of such documents and the doing of such acts and things as shall be required for accomplishing the Merger under the provisions of the applicable statutes of the States of Idaho and Utah, as heretofore amended and supplemented.

ARTICLE VII - ABANDONMENT

Anything herein or elsewhere to the contrary notwithstanding, this Agreement may be abandoned by any of the Constituent Corporations by an appropriate resolution of its board of directors at any time prior to its approval or adoption by the shareholders thereof, or by the mutual consent of the Constituent Corporations evidenced by appropriate resolutions of their respective boards of directors, at any time prior to the Effective Time of the Merger.

IN WITNESS WHEREOF, FSC, FSI, Kenneville, pursuant to the approval and authority duly given by resolutions adopted by their respective boards of directors, have caused this Plan of Merger to be executed by its respective officer thereunto duly authorized.

FIRST SECURITY CORPORATION

By: Morgan J. Evans
Name:
Title:

[signatures continue on next page]

FIRST SECURITY INSURANCE INC.

By: 

Daniel S. Schull, President

KENNEVICK INSURANCE AGENCY, INC.

By: 

Jack Kenneville, President