

CONTROL DEVELOPMENTS, INC.,
an Idaho corporation,

and

EVERGREENS, INC.,
an Idaho corporation,

to be consolidated into

CONTROL DEVELOPMENTS INCORPORATED,
an Idaho corporation.

AGREEMENT AND PLAN OF
CONSOLIDATION

THIS AGREEMENT and PLAN OF CONSOLIDATION, dated as of November 30, 1971, by and between CONTROL DEVELOPMENTS, INC., an Idaho corporation, hereinafter called "CDI", through its President duly authorized to enter into the same pursuant to resolution of its Board of Directors, and EVERGREENS, INC., an Idaho corporation, hereinafter called "EVERGREENS", through its President duly authorized to enter into the same pursuant to resolution of its Board of Directors,

WITNESSETH:

I

In consideration of the premises and the mutual agreements and provisions herein contained, the parties hereto agree that CDI and EVERGREENS shall be consolidated into a single corporation, and that the terms and conditions of the consolidation and the mode of carrying it into effect shall be as hereinafter set forth, all pursuant to the applicable provisions of the corporation laws of the State of Idaho.

II

It is understood that EVERGREENS is the wholly-owned subsidiary of CDI.

III

The constituent corporations shall consolidate into a new Idaho corporation to be known as CONTROL DEVELOPMENTS INCORPORATED, hereinafter called the "resulting corporation". The effective date of this consolidation shall be when applicable provisions of the corporation laws of the State of Idaho have been fully complied with, and this Agreement and Plan of Consolidation, together with Articles of Incorporation of the resultant corporation, have been duly filed with the Secretary of State of the State of Idaho, retroactive, however, for accounting and other purposes to 12:01 A.M. on July 1, 1971.

IV

A copy of the proposed Articles of Incorporation of the resulting corporation is attached hereto and by this reference said Articles of Incorporation are incorporated herein, and the present Articles of Incorporation of the constituent corporations shall be deemed amended as necessary to carry out the terms of this Agreement and Plan of Consolidation, thereby providing the resulting corporation with all necessary power and authority to conduct the business and affairs of the constituent corporations under a legal capital structure. Upon ratification and approval of this Agreement and Plan of Consolidation by the shareholders of the constituent corporations, the same shall be deemed as Articles of Consolidation, and the attached Articles of Incorporation of the resulting corporation shall, by such ratification and approval, be thereby adopted, ratified, and approved by the shareholders of the constituent corporations.

V

A. The authorized capital of the resulting corporation shall be \$500,000.00, divided into 5,000,000 shares of voting common stock with a par value of \$.10 per share.

B. The capital accounts of the resulting corporation shall be constituted in accordance with the following provisions:

(1) The stated capital of the resulting corporation shall be the number of shares of said corporation allotted and issued, multiplied by \$.10, being the par value of each share.

(2) The retained earnings account of the resulting corporation shall not reflect any portion of the retained earnings account of Control Developments, Inc. arising or existing by reason of business operations or transactions prior to the date of reinstatement of such corporation's corporate franchise on September 4, 1969, it being specifically provided hereby, and approved and ratified by the shareholders of the constituent corporations by approval and ratification of this Agreement and Plan of Merger, that by reason of there having been no business transacted by said Control Developments, Inc. from the date of forfeiture of its charter on November 30, 1961, until said date of reinstatement, and the further reason that all business prior to November 30, 1961, was conducted in enterprises totally dissimilar to the existing business of said corporation or its subsidiary, and the lack of corporate books and records to substantiate the amounts heretofore assumed to constitute the retained earnings account of said corporation as of said date of reinstatement, that all balances of said retained earnings account as of September 4, 1969, be, and the same hereby are, extinguished, and the retained earnings account of the resulting corporation shall be calculated and constituted as if said retained earnings account of Control Developments, Inc., one of the constituent corporations, had been and was zero at September 4, 1969.

(3) Within 30 days after the filing of Articles of Incorporation of the resulting corporation with the Secretary of State of Idaho, as herein provided, the Board of Directors

of said resulting corporation shall adopt a resolution stating the balances of all capital accounts of said resulting corporation as of the effective date of the consolidation for accounting purposes (as defined herein), which shall be accomplished in accordance with the following procedure, and with force and effect as herein stated:

- (a) Prior to adoption of such resolution, the Board of Directors shall obtain from the auditors of the corporation their recommendations with respect to the designations of the various capital accounts, and the balances for each such account, with such accounts calculated in accordance with generally accepted accounting principles except as the application of any such principles shall be restricted or modified by specific provisions of this Article V.
- (b) The Board of Directors, upon recommendation of the auditors for the corporation, shall be authorized and empowered, in connection with such resolution, to deem and constitute the balances of all capital accounts of the constituent corporations as paid-in capital, retained earnings or deficit, or as other capital accounts of the resulting corporation, as deemed appropriate and desirable to accomplish a fair presentation and statement of the financial condition of said resulting corporation, consistent with the provisions of this Article V.
- (c) The account balances so stated in said resolution shall thereafter be binding upon the corporation, and all persons dealing therewith, for all purposes, subject only to such adjustments as may be recommended from time to time by the auditors for the corporation by reason of subsequent adjustments made by such auditors to financial statements and records of the constituent corporations for prior periods.

VI

A. Immediately upon this Plan of Consolidation becoming effective, each present allotted and outstanding share of the capital stock of EVERGREENS, being owned by CDI, shall, ipso facto, be extinguished.

B. Immediately upon this Plan of Consolidation becoming effective, all unallotted capital stock, all treasury stock, all stock options, all "bonus warrants" of CDI, or securities issued by either corporation of any nature whatsoever comprising equity securities or rights to equity securities, of all constituent corporations shall be extinguished, and shall thereafter have no further force or effect whatsoever.

VII

A. Each shareholder of CDI shall be given notice within thirty (30) days following approval of this Plan of Consolidation by such corporation's shareholders, stating the fact of such approval and instructing such shareholders to deliver, in person

or by certified or registered mail, all share certificates held by such shareholder for shares of CDI, whether under the present name of such corporation or any of its prior names, or for shares of any of the predecessor corporations of CDI merged into such corporation, to the principal office of the resulting corporation (or such other address as may be designated by such resulting corporation for such purpose), for the purpose of reissuing such certificates in the name of the resulting corporation.

B. Upon tender of certificates for shares as provided in subparagraph A above, each such shareholder shall be entitled to, and shall be issued, one share of the common stock of the resulting corporation for each one share of the no par value common stock of CDI so tendered for reissue (in case of tender of shares of a CDI predecessor corporation, or CDI shares of par value stock issued prior to the reverse stock split effected in 1970, such tendering party shall be entitled to issue of one share of the common stock of the resulting corporation for each one share of CDI no par value common stock to which the tendered certificates would have been convertible pursuant to such prior merger or reverse stock split, and in cases of fractional shares such shall be rounded to the nearest whole number of shares).

C. The resulting corporation shall have no duty to issue its shares upon tender of certificates for shares of CDI or any of its predecessors, unless such certificates be tendered not later than the close of business May 31, 1972, and the notice given to shareholders of CDI pursuant to subparagraph A above shall so state in bold or underlined type. From and after May 31, 1972, the Board of Directors of the resulting corporation may in its discretion, but shall not be obligated to, permit such tender and effect such reissue, upon good cause shown for such delay, but in such event such reissue shall confer no rights retroactively by reason of any intervening events after May 31, 1972 and prior to such reissue, the rights of such shareholder during such intervening period of time being strictly as specified in subparagraph D below.

D. No certificate for shares of CDI or any predecessor corporation thereto shall, after May 31, 1972, evidence any rights as a shareholder of the resulting corporation, and any owner or holder of such certificate shall after such date shall not be entitled to receive notices of shareholders' meetings, nor be included in determining the number of issued and outstanding shares of the resulting corporation, nor be entitled to vote at meetings of the shareholders, nor to receive or participate in any dividends of cash or stock which may at any time be declared by such resulting corporation, nor exercise any other of the rights and privileges of a shareholder of such resulting corporation.

E. In calculating capital account balances pursuant to subparagraph B(3) of Article V hereof, it shall be tentatively presumed that the stated capital of the corporation is \$.10 times the number of issued and outstanding shares of CDI on June 30, 1971, and on June 1, 1972, any sums tentatively presumed as stated capital pursuant to this instruction which are greater than the actual amount of stated capital, calculated in accordance with Article V, subparagraph A, shall be deemed and constituted as paid-in capital thereafter. If the Board of Directors, in its discretion, shall effect reissues subsequent to May 31, 1972 pursuant to subparagraph C of this Article VI, the amount added to stated capital by reason thereof shall be deducted and transferred from the paid-in capital account. For purposes of the determinations and calculations to

be made as of June 1, 1972, pursuant to this subparagraph, the "actual amount of stated capital" referred to herein shall not be deemed to include any increases in stated capital resulting from new original issues of shares after the effective date of this consolidation for accounting purposes as herein defined.

VIII

The by-laws of CDI in effect at the time Articles of Incorporation of the resulting corporation are filed with the Secretary of State of the State of Idaho, as herein provided, shall be the by-laws of the resulting corporation, until the same be altered, amended, or repealed, except to the extent, if any, such may be in conflict with the Articles of Incorporation of such resulting corporation.

IX

The officers and directors of CDI at the time Articles of Incorporation of the resulting corporation are filed with the Secretary of State of the State of Idaho, as herein provided, shall be the officers and directors of the resulting corporation until their successors are elected and qualify.

X

A. On the effective date of the consolidation, all the property, real, personal or mixed, of each of the constituent corporations, and all debts on whatever account to either of them, and all and singular, the rights, privileges, powers, certificates and franchises, and all and every other interest of the constituent corporations, shall be taken and deemed to be transferred to and vested in the resulting corporation without further act or deed, and shall be thereafter as effectually the property of the resulting corporation as they were of the respective constituent corporations; and title to any real estate or leasehold, whether vested by deed or otherwise in the constituent corporations, shall not revert or be in any way impaired by reason of the consolidation, and the resultant corporation shall, by operation of law, become vested with all such titles or leaseholds.

B. In conjunction with Paragraph A above, whenever a conveyance, assignment, transfer, or any act, deed or instrument is necessary or appropriate to evidence the vesting of property or rights in CONTROL DEVELOPMENTS INCORPORATED, as the resulting corporation, the officers of the constituent corporations as of the time of consolidation, shall execute, acknowledge and deliver such deeds or instruments and do such acts as may be necessary or appropriate in the premises.

C. The resulting corporation shall, on the effective date of the consolidation, be responsible for all the debts, liabilities, obligations and duties of the constituent corporations, and all said debts, liabilities, obligations and duties shall thenceforth attach to the resulting corporation and may be enforced against it to the same extent as if said debts, liabilities, obligations and duties had been incurred or contracted by the resulting corporation in the first instance; the rights and liabilities of the constituent corporations, or of their stockholders, directors or officers, shall not be affected, nor shall the rights of the creditors thereof or of any persons dealing with the

constituent corporations or any liens upon the property of the constituent corporations, be impaired by the consolidation; and all rights of creditors and all liens upon any property of any of the constituent corporations may be prosecuted to judgment as if the consolidation had not taken place, or the resulting corporation may be proceeded against or substituted in place of such constituent corporation.

XI

The procedure for effecting this consolidation shall be as follows:

A. Upon approval of this Agreement and Plan of Consolidation by the Boards of Directors of the constituent corporations, this instrument shall be executed by the respective Presidents thereof.

B. As soon as possible after execution of this instrument, the Secretary of each of the constituent corporations shall call a meeting of the shareholders of such corporation for the purpose of considering the same; provided, such meeting may be combined with an annual meeting of such shareholders if held within 60 days following the date of execution hereof. Such call for meeting of shareholders shall be deemed given by the Boards of Directors of such constituent corporations by virtue of their approval of this Agreement and Plan of Consolidation.

C. Upon approval of this Agreement and Plan of Consolidation by the requisite vote of two-thirds of the issued and outstanding shares of stock of each constituent corporation, the respective Presidents and Secretaries thereof shall endorse upon one or more executed copies hereof their sworn certificates setting forth the holding of such meeting and the vote thereat, the date thereof, and the fact such meeting was duly held and that such vote was at least 2/3 of the voting power of such corporation, and affixing the corporate seal thereto.

D. The Presidents of the respective constituent corporations, duly attested by the Secretaries thereof, shall thereupon execute the Articles of Incorporation of the resultant corporation and said Articles of Incorporation, accompanied by a fully executed copy of this Agreement and Plan of Merger, bearing the certificates provided for in subparagraph C above, shall be filed with the Secretary of State of the State of Idaho (in such number of copies as may be required by law).

XII

A. This agreement and Plan of Consolidation may be amended in any detail prior to the meetings of the stockholders of the constituent corporations, upon approval of the Boards of Directors of each, provided such amendment does not materially change the substance of the Plan of Consolidation.

Typing errors or omissions, not changing the substance of the Plan of Consolidation or Agreement set forth herein, may be corrected by Order of the Presidents of the constituent corporations, at any time.

IN WITNESS WHEREOF, THE PRESIDENTS OF CDI and EVERGREENS, thereunto duly authorized by resolution of the Board of Directors of said constituent corporations, have set their hands and affixed the official seals of said corporations, effective the day and year first above written.

EVERGREENS, INC.,
an Idaho corporation

By


President

ATTEST:


Secretary

CONTROL DEVELOPMENTS, INC.,
an Idaho corporation

By


President

ATTEST:


Secretary

CERTIFICATE OF APPROVAL

STATE OF IDAHO)
COUNTY OF ADA) ss.

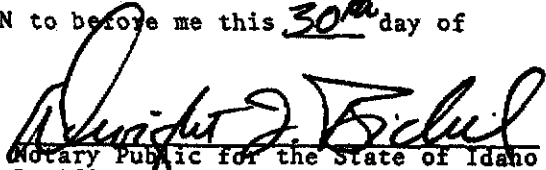
DON KNUDSEN, being first duly sworn, deposes and says:

That the foregoing Agreement and Plan of Consolidation between Control Developments, Inc., an Idaho corporation, and Evergreens, Inc., an Idaho corporation, was on the 30th day of December, 1971, submitted for approval by the shareholders of Evergreens, Inc. at a special meeting of the shareholders of said corporation duly held, and was there approved and ratified by the unanimous vote of all of the issued and outstanding shares of stock of said corporation; and that he is the duly elected and acting Secretary of said Evergreens, Inc., an Idaho corporation.

(Corporate Seal)


DON KNUDSEN

SUBSCRIBED AND SWORN to before me this 30th day of
December, 1971.


Notary Public for the State of Idaho
Residing at Boise, Idaho

CERTIFICATE OF APPROVAL

STATE OF IDAHO)
COUNTY OF ADA) ss.

DON KNUDSEN, being first duly sworn, deposes and says:

That he is the duly elected and acting Secretary of Control Developments, Inc., an Idaho corporation; that an annual meeting of shareholders of said corporation was held on December 30, 1971, at the offices of said corporation in Nampa, Idaho, pursuant to proper written notice to all shareholders of record at least 10 days prior to said meeting; that said notice of annual meeting stated that the foregoing Agreement and Plan of Consolidation between Control Developments, Inc. and Evergreens, Inc., both Idaho corporations, would be submitted for approval thereat, and was accompanied by the full text of the same; that at said meeting said Agreement and Plan of Consolidation was approved by the vote of 1,056,545 shares of the corporation's common stock, being more than two-thirds of the total issued and outstanding shares thereof, with no dissenting votes.

(Corporate Seal)


DON KNUDSEN

SUBSCRIBED AND SWORN TO before me this 30th day of
December, 1971.


Notary Public for the State of Idaho
Residing at Boise, Idaho