

**FILED EFFECTIVE**

08 SEP 30 AM 9:36

SECRETARY OF STATE  
STATE OF IDAHO

**Articles of Share Exchange**

**of**

**bankcda/Coeur d'Alene Bancorp**

Pursuant to Section 30-1-1106 Idaho Code, the undersigned parties to that certain Plan of Exchange, dated April 22, 2008, do hereby certify as follows:

1. The parties to the Share Exchange were:
  - A. bankcda, an Idaho corporation, the entity whose shares were acquired; and
  - B. Coeur d'Alene Bancorp, an Idaho corporation, the acquiring corporation in the Share Exchange.
2. The shareholders of bankcda were required to vote their approval of the Share Exchange and at a Special Meeting of Shareholders, duly called, noticed and held on September 16, 2008, a requisite majority of such shareholders approved the Plan of Exchange.

Dated this 30th day of September 2008, by the undersigned thereunto duly authorized, to be effective at 12:01 a.m., Pacific Time, on October 1, 2008.

**bankcda**

**Coeur d'Alene Bancorp**

By: Max J. Faller  
Max J. Faller  
President and Chief Executive Officer

By: Max J. Faller  
Max J. Faller  
President and Chief Executive Officer

IDAHO SECRETARY OF STATE  
09/30/2008 05:00  
CK: 5295 CT: 219130 BH: 1138877  
1 @ 30.00 = 30.00 MERGER # 2  
1 @ 20.00 = 20.00 EXPEDITE C # 3

C135993

bankcda

**COEUR D'ALENE, IDAHO**

**PLAN OF EXCHANGE**

THIS PLAN OF EXCHANGE, dated as of April 22, 2008 ("Plan"), is entered into by and between bankcda (the "Bank"), an Idaho-chartered commercial bank, and Coeur d'Alene Bancorp, a to-be-formed Idaho corporation ("Holding Company").

The parties hereto desire to enter into a Plan whereby the Bank will be reorganized into the holding company form of ownership. The result of such reorganization will be that immediately after the Effective Date (as defined in Article V below), all of the issued and outstanding shares of common stock of the Bank ("Bank Common Stock") will be held by Holding Company and the holders of the issued and outstanding shares of Bank Common Stock will become the holders of the issued and outstanding shares of common stock of Holding Company.

The reorganization of the Bank will be accomplished through a share exchange ("Exchange"). Pursuant to the Exchange, all of the issued and outstanding shares Bank Common Stock will automatically be converted on a one-for-one basis into an equal number of issued and outstanding shares of common stock of Holding Company Common Stock.

NOW, THEREFORE, in order to consummate the Plan, and in consideration of the mutual covenants herein set forth, the parties agree as follows:

**ARTICLE I**

**THE HOLDING COMPANY, THE BANK AND RELATED MATTERS**

1.1 The Bank will cause the Holding Company to be incorporated under the laws of the State of Idaho.

1.2 Following the Exchange, the existence of the Bank shall continue unaffected and unimpaired by the Exchange, with all rights, privileges, immunities and powers, subject to all of the duties and liabilities, of a commercial bank organized under the laws of the State of Idaho. The Articles of Incorporation and Bylaws of the Bank, as presently in effect, shall continue in full force and effect and shall not be changed in any manner whatsoever by the Exchange.

1.3 From and after the Effective Date, and subject to the actions of the Board of Directors of the Bank, the business presently conducted by the Bank will continue to be conducted by it, as a wholly-owned subsidiary of Holding Company, and the present directors and officers of the Bank will continue in their present positions. The home office and branch offices of the Bank in existence immediately prior to the Effective Date shall continue to be the home office and branch offices, respectively, of the Bank from and after the Effective Date.

## ARTICLE II

### CONVERSION OF STOCK

2.1 The terms and conditions of the Exchange, the mode of carrying the same into effect, and the manner and basis of converting the common stock of the parties to this Plan shall be as follows:

A. On the Effective Date, all shares of common stock of the Holding Company held by the Bank shall be canceled and shall no longer be deemed to be issued and outstanding for any purpose.

B. On the Effective Date, each share of common stock, \$5.00 par value, of the Bank ("Bank Common Stock") issued and outstanding immediately prior to the Effective Date shall automatically by operation of law be converted into and shall become one share of common stock, \$5.00 par value, of the Holding Company (the "Holding Company Common Stock"). From and after the Effective Date, all of the issued and outstanding shares of Bank Common Stock shall be held by the Holding Company.

C. On the Effective Date, the Bank's existing Stock Option Plan adopted in 2001, as amended (the "2001 Stock Option Plan") and the Directors Stock Option Plan, shall automatically, by operation of law, be continued as and become the 2001 Stock Option Plan and Directors Stock Option Plan, respectively of the Holding Company. Each option to purchase shares of Bank Common Stock under the 2001 Stock Option Plan and Directors Stock Option Plan outstanding at that time will be automatically converted into an identical option, with identical price, terms and conditions, to purchase an identical number of shares of the Holding Company Common Stock in lieu of shares of Bank Common Stock.

D. After the Effective Date, each certificate that represented shares of Bank Common Stock shall, for all purposes, be automatically deemed to evidence an equal number of shares of Holding Company Common Stock. Former holders of Bank Common Stock will not be required to exchange their Bank Common Stock certificates for new certificates evidencing the same number of shares of Holding Company Common Stock. If in the future the Holding Company determines to effect an exchange of stock certificates, instructions will be sent to all holders of record. The transfer agent and registrar of the Bank will act in the same capacity for the Holding Company Common Stock.

E. All shares of Holding Company Common Stock into which shares of Bank Common Stock shall have been converted pursuant to this Article II shall be deemed to have been issued in full satisfaction of all rights pertaining to such converted shares.

F. On the Effective Date, the holders of the certificates formerly representing Bank Common Stock outstanding on the Effective Date shall cease to have any rights with respect to the stock of the Bank, and their sole rights shall be with respect to the Holding Company Common Stock into which their shares of Bank Common Stock shall have been converted by the Exchange. The provisions of this paragraph shall not apply to any share of Bank Common Stock in respect of which a shareholder thereof shall pursue his or her remedy of dissent under the applicable provisions of Idaho Code Section 26-909.

## ARTICLE III

### CONDITIONS

3.1 The obligations of the Bank and the Holding Company to effect the Exchange and otherwise

consummate the transactions contemplated hereby shall be subject to the satisfaction of the following conditions:

A. The Boards of Directors of the Bank and the Holding Company must approve this Plan by a two-thirds vote.

B. To the extent required by applicable law, rules and regulations, the holders of the outstanding shares of the Bank Common Stock shall, at a meeting of the shareholders of the Bank duly called, have approved this Plan by the affirmative vote of a majority of the outstanding voting shares of Bank Common Stock.

C. The shares of the Holding Company Common Stock to be issued to the Bank shareholders pursuant to the Exchange shall have been, if required by law, duly registered pursuant to the Securities Act of 1933, as amended, and the Holding Company shall have complied with all applicable state securities or "blue sky" laws relating to the issuance of the Holding Company Common Stock.

D. Any and all approvals from the Board of Governors of the Federal Reserve, the Idaho Department of Finance, the Securities and Exchange Commission and any other governmental agency having jurisdiction necessary for the lawful consummation of the Exchange and the issuance and delivery of the Holding Company Common Stock as contemplated by this Plan shall have been obtained.

E. The Bank shall have received either: (i) a ruling from the Internal Revenue Service or (ii) an opinion, to the effect that the Exchange will be treated as a non-taxable transaction under Section 351 or other applicable provisions of the Code and that no gain or loss will be recognized by the shareholders of the Bank upon the exchange of Bank Common Stock held by them for Holding Company Common Stock.

#### ARTICLE IV

##### TERMINATION

4.1 This Plan may be terminated at the election of any of the parties hereto if any one or more of the conditions to the obligations of any of them hereunder shall not have been satisfied and shall have become incapable of fulfillment and shall not be waived. This Plan may also be terminated at any time prior to the Effective Date by the mutual consent of the respective Boards of Directors of the parties.

4.2 This Plan may be terminated by the Board of Directors of the Bank if more than 10% of the voting shares of the Bank exercise their dissenters' rights in regards to the Exchange.

4.3 In the event of the termination of this Plan pursuant to any of the foregoing provisions, no party shall have any further liability or obligation of any nature to any other party under this Plan.

#### ARTICLE V

##### EFFECTIVE DATE OF EXCHANGE

Upon satisfaction or waiver (in accordance with the provisions of this Plan) of each of the conditions set forth in Article III, the parties hereto, shall execute and cause to be filed such certificates or further documents as shall be required by the Idaho Department of Finance and with such other state or federal

regulatory agencies as may be required. Upon approval by the Idaho Department of Finance and endorsement of such certificates, the Exchange and other transactions contemplated by this Plan shall become effective. The Effective Date for all purposes hereunder shall be the date of such endorsement by the Office of the Secretary of State of the State of Idaho.

## ARTICLE VI

### MISCELLANEOUS

6.1 Any of the terms or conditions of this Plan, which may legally be waived, may be waived at any time by any party hereto which is entitled to the benefit thereof, or any of such terms or conditions may be amended or modified in whole or in part at any time, to the extent authorized by applicable law, by an agreement in writing, executed in the same manner as this Plan.

6.2 Any of the terms or conditions of this Plan may be amended or modified in whole or in part at any time, to the extent permitted by applicable law, rules and regulations, by an amendment in writing, provided that any such amendment or modification is not materially adverse to the Bank, the Holding Company or their shareholders. In the event that any governmental agency requests or requires that the transactions contemplated herein be modified in any respect as a condition of providing a necessary regulatory approval or favorable ruling, or that in the opinion of counsel such modification is necessary to obtain such approval or ruling, the Plan may be modified, at any time before or after adoption thereof by the shareholders of the Bank, as applicable, by an instrument in writing, provided that the effect of such amendment would not be materially adverse to the Bank, the Holding Company, or their stockholders.

6.3 This Plan shall be governed by and construed under the laws of the State of Idaho except insofar as federal law is deemed to apply.

6.4 Each of the parties hereto shall pay their respective expenses in connection with this Plan and the transactions contemplated herein.

IN WITNESS WHEREOF, the parties hereto have duly executed this Plan of Exchange as of the date first above written.

bankcda

Attest: Nora Knight  
Secretary

Max J. Faller  
By: Max J. Faller  
President and Chief Executive Officer

Coeur d'Alene Bancorp (in formation)

Attest: Nora Knight

Max J. Faller  
By: Max J. Faller  
President and Chief Executive Officer