

**FILED/EFFECTIVE**

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SECRETARY OF STATE  
STATE OF IDAHO

ARTICLES OF MERGER  
OF  
PARACELUS INDUSTRIES, INC.  
INTO  
RIO PRODUCTS INTL., INC.

*Effective January 1, 2001*

*In accordance with Sections 30-1-1101, 30-1-1104 and 30-1-1105 of the Idaho Business Corporation Act (the "IBCA"), Rio Products Intl., Inc., an Idaho corporation ("Rio"), hereby declares and certifies as follows:*

ARTICLE ONE

Plan of Merger

*The Plan of Merger, effective as of January 1, 2001 (the "Plan of Merger"), with respect to the merger of Paracelsus Industries, Inc., an Idaho corporation ("Paracelsus"), into Rio is attached hereto as Exhibit A and is incorporated herein by this reference.*

ARTICLE TWO

Shareholder Approval

*Pursuant to Section 30-1-1103 of the IBCA, the shareholders of Paracelsus were required to approve the Plan of Merger (the shareholders of Rio were not required to approve the Plan of Merger). No shareholders were entitled to vote separately in voting groups. The designation, number of outstanding shares, number of votes entitled to be cast, and the total number of votes cast for and against the Plan of Merger were as follows:*

<i>Corporation and Designation</i>	<i>Outstanding Shares</i>	<i>Votes entitled to be cast</i>	<i>For</i>	<i>Against</i>
<i>Paracelsus Common Stock</i>	<i>100</i>	<i>100</i>	<i>100</i>	<i>0</i>

*The number of votes cast for the Plan of Merger was sufficient for approval.*

IDAHO SECRETARY OF STATE  
06/05/2002 05:00  
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### ARTICLE THREE

#### Share Ownership

*The merger of Paracelsus with and into Rio (the "Merger") is being effected pursuant to Section 30-1-1103 of the IBCA. Immediately prior to the Merger, James D. Vincent and Cecily Pearson Vincent owned all of the outstanding shares of each class of stock of Rio Products Intl., Inc.*

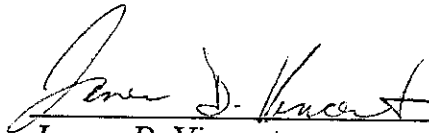
### ARTICLE FOUR

#### Effective Date

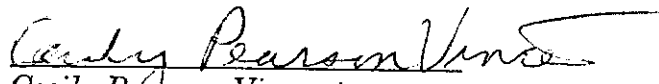
*The effective date of the Merger is January 1, 2001 and the effective date complies with Section 30-1-1105 of the IBCA.*

*IN WITNESS WHEREOF, Rio hereby certifies to the truth of the facts stated herein and executes and delivers these Articles of Merger as of the 1<sup>st</sup> day of January, 2001.*

*Rio Products Intl., Inc., an Idaho corporation*

  
James D. Vincent  
President

ATTEST:

  
Cecily Pearson Vincent  
Secretary

MAILING ADDRESS

*If, upon completion of filing of the above Articles of Merger, the Secretary of State elects to send a copy of the Articles of Merger to Gregory J. Ehardt by mail, the address to which the copy should be mailed is:*

*Gregory J. Ehardt  
2677 East 17<sup>th</sup> Street, Suite 400  
Idaho Falls, Idaho 83406*

*Exhibit A*

*PLAN OF MERGER*

AGREEMENT AND PLAN OF MERGER  
BETWEEN  
RIO PRODUCTS INTL., INC. AND PARACELSUS INDUSTRIES, INC.

Agreement entered into as of the 1 day of January, 2001 by and between Rio Products Intl., Inc., an Idaho corporation (the "Buyer"), and Paracelsus Industries, Inc., an Idaho corporation (the "Target"). The Buyer and the Target are referred to collectively herein as the "Parties."

This Agreement contemplates a tax-free merger of the Target with and into the Buyer in a reorganization pursuant to Code Section 368(a)(1)(A). The Target Stockholders will receive capital stock in the Buyer in exchange for their capital stock in the Target. The Parties expect that the Merger will further certain of their business objectives, including, without limitation, enhancing the services and expertise offered to clients.

Now, therefore, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the Parties agree as follows.

(a) Definitions.

"Buyer" has the meaning set forth in the preface above.

"Buyer Share" means any share of the Common Stock, no par value per share, of the Buyer.

"Certificate of Merger" has the meaning set forth in Section 2(c) below.

"Closing" has the meaning set forth in Section 2(b) below.

"Closing Date" has the meaning set forth in Section 2(b) below.

"Confidential Information" means any information concerning the businesses and affairs of the Target that is not already generally available to the public.

"Conversion Ratio" has the meaning set forth in Section 2(d)(v) below.

"Idaho General Corporation Law" means the General Corporation Law of the State of Idaho, as amended.

"Dissenting Share" means any Target Share which any stockholder who or which has exercised his or its appraisal rights under the Idaho General Corporation Law holds of record.

"Effective Time" has the meaning set forth in Section 2(d)(i) below.

"GAAP" means United States generally accepted accounting principles as in effect from time to time.

"Hart-Scott-Rodino Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"IRS" means the Internal Revenue Service.

"Knowledge" means actual knowledge after reasonable investigation.

"Merger" has the meaning set forth in Section 2(a) below.

"Most Recent Fiscal Quarter End" has the meaning set forth in Section 3(f) below.

"Ordinary Course of Business" means the ordinary course of business consistent with past custom and practice including with respect to quantity and frequency.

"Party" has the meaning set forth in the preface above.

"Person" means an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

"Requisite Buyer Stockholder Approval" means the affirmative vote of the holders of a majority of the Buyer Shares in favor of this Agreement and the Merger.

"Requisite Target Stockholder Approval" means the affirmative vote of the holders of a majority of the Target Shares in favor of this Agreement and the Merger.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Securities Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Security Interest" means any mortgage, pledge, lien, encumbrance, charge, or other security interest, other than (a) mechanic's, materialmen's, and similar liens, (b) liens for taxes not yet due and payable or for taxes that the taxpayer is contesting in good faith through appropriate proceedings, (c) purchase money liens and liens securing rental payments under capital lease arrangements, and (d) other liens arising in the Ordinary Course of Business and not incurred in connection with the borrowing of money.

"Special Buyer Meeting" has the meaning set forth in Section 5(c)(ii) below.

"Special Target Meeting" has the meaning set forth in Section 5(c)(ii) below.

"Surviving Corporation" has the meaning set forth in Section 2(a) below.

"Target" has the meaning set forth in the preface above.

"Target Comfort Letter" has the meaning set forth in Section 5(d) below.

"Target Share" means any share of the Common Stock, no par value per share, of the Target.

"Target Stockholder" means any Person who or which holds any Target Shares.

(b) Basic Transaction.

(i) The Merger. On and subject to the terms and conditions of this Agreement, the Target will merge with and into the Buyer (the "Merger") at the Effective Time. The Buyer shall be the corporation surviving the Merger (the "Surviving Corporation").

(ii) The Closing. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Buyer on the 1<sup>st</sup> day of January, 2001, or such other date as the Parties may mutually determine (the "Closing Date").

(iii) Actions at the Closing. At the Closing, (i) the Target will deliver to the Buyer the various certificates, instruments, and documents referred to in Section 6(a) below, (ii) the Buyer will deliver to the Target the various certificates, instruments, and documents referred to in Section 6(b) below, (iii) the Buyer and the Target will file with the Secretary of State of the State of Idaho a Certificate of Merger in the form attached hereto as Exhibit A (the "Certificate of Merger"), and (iv) the Buyer will deliver to the Exchange Agent in the manner provided below in this Section 2 the certificate evidencing the Buyer Shares issued in the Merger.

(iv) General. The Merger shall become effective at the time (the "Effective Time") the Buyer and the Target file the Certificate of Merger with the Secretary of State of the State of Idaho. The Merger shall have the effect set forth in the Idaho Corporation Law. The Surviving Corporation may, at any time after the Effective Time, take any action (including executing and delivering any document) in the name and on behalf of either the Buyer or the Target in order to carry out and effectuate the transactions contemplated by this Agreement.

(v) Certificate of Incorporation. The Certificate of Incorporation of the Buyer in effect at and as of the Effective Time will remain the Certificate of Incorporation of the Surviving Corporation without any modification or amendment in the Merger.

(vi) Bylaws. The Bylaws of the Buyer in effect at and as of the Effective Time will remain the Bylaws of the Surviving Corporation without any modification or amendment in the Merger.

(vii) Directors and Officers. The directors and officers of the Buyer in office at and as of the Effective Time will remain the directors and officers of the Surviving Corporation (retaining their respective positions and terms of office).

(viii) Conversion of Target Shares. At and as of the Effective Time, (A) each Target Share (other than any Dissenting Share or) shall be converted into the right to receive one (1) Buyer Share (the ratio of one (1) Buyer Shares to one (1) Target Share is referred to herein as the "Conversion Ratio"), (B) each Dissenting Share shall be converted into the right to receive payment from the Surviving Corporation with respect thereto in accordance with the provisions of the Idaho Corporation Law, provided, however, that the Conversion Ratio shall be subject to equitable adjustment in the event of any stock split, stock dividend, reverse stock split, or other change in the number of Target Shares outstanding. No Target Share shall be deemed to be outstanding or to have any rights other than those set forth above in this Section 2(d)(v) after the Effective Time.

(ix) Buyer Shares. Each Buyer Share issued and outstanding at and as of the Effective Time will remain issued and outstanding.

(x) Procedure for Payment.

(xi) Immediately after the Effective Time, (A) the Buyer will furnish to Cooper Norman & Co., Certified Public Accountants, A Professional Limited Liability Company (the "Exchange Agent") a stock certificate (issued in the name of the Exchange Agent or its nominee) representing that number of Buyer Shares equal to the product of (I) the Conversion Ratio times (II) the number of outstanding Target Shares (other than any Dissenting Shares and Buyer-owned Shares).

(xii) The Buyer will not pay any dividend or make any distribution on Buyer Shares (with a record date at or after the Effective Time) to any record holder of outstanding Target Shares until the holder surrenders for exchange his or its certificates which represented Target Shares. The Buyer instead will pay the dividend or make the distribution to the Exchange Agent in trust for the benefit of the holder pending surrender and exchange. Holders of outstanding Target Shares shall not be entitled to any interest or earnings on the dividend or distribution pending receipt.

(xiii) The Buyer shall pay all charges and expenses of the Exchange Agent.

(c) Closing of Transfer Records. After the close of business on the Closing Date, transfers of Target Shares outstanding prior to the Effective Time shall not be made on the stock transfer books of the Surviving Corporation.

1. Representations and Warranties of the Target. The Target represents and warrants to the Buyer that the statements contained in this Section 3 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this Section 3).

(a) Organization, Qualification, and Corporate Power. Target is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its incorporation. Target is duly authorized to conduct business and is in good standing under the laws of each jurisdiction where such qualification is required. Target has full corporate power and authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it.

(b) Capitalization. The entire authorized capital stock of the Target consists of one hundred (100) Target Shares, of which one hundred (100) Target Shares are issued and outstanding and zero (0) Target Shares are held in treasury. All of the issued and outstanding Target Shares have been duly authorized and are validly issued, fully paid, and nonassessable. There are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, or other contracts or commitments that could require the Target to issue, sell, or otherwise cause to become outstanding any of its capital stock. There are no outstanding or authorized stock appreciation, phantom stock, profit participation, or similar rights with respect to the Target.

(c) Authorization of Transaction. The Target has full power and authority (including full corporate power and authority) to execute and deliver this Agreement and to perform its obligations hereunder; provided, however, that the Target cannot consummate the Merger unless and until it receives the Requisite Target Stockholder Approval. This Agreement constitutes the valid and legally binding obligation of the Target, enforceable in accordance with its terms and conditions.



(d) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which Target is subject or any provision of the charter or bylaws of Target, or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument or other arrangement to which Target is a party or by which it is bound or to which any of its assets is subject (or result in the imposition of any Security Interest upon any of its assets) other than in connection with the provisions of the Hart-Scott-Rodino Act, Idaho Corporation Law, the Securities Exchange Act, the Securities Act, and the state securities laws, Target does not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement.

(e) Filings with the SEC. The Target has made all filings with the SEC that it has been required to make under the Securities Act and the Securities Exchange Act (collectively the "Public Reports"). Each of the Public Reports has complied with the Securities Act and the Securities Exchange Act in all material respects. None of the Public Reports, as of their respective dates, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(f) Events Subsequent to Most Recent Fiscal Quarter End. Since the Most Recent Fiscal Quarter End, there has not been any material adverse change in the business, financial condition, operations, results of operations, or future prospects material adverse change in the financial condition of the Target.

(g) Undisclosed Liabilities. Target has no liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including any liability for taxes, except for liabilities which have arisen after the Most Recent Fiscal Quarter End in the Ordinary Course of Business (none of which results from, arises out of, relates to, is in the nature of, or was caused by any breach of contract, breach of warranty, tort, infringement, or violation of law).

(h) Brokers' Fees. Target has no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement.

(i) Continuity of Business Enterprise. The Target operates at least one significant historic business line, or owns at least a significant portion of its historic business assets, in each case within the meaning of Reg. Section 1.368-1(d).

2. Representations and Warranties of the Buyer. The Buyer represents and warrants to the Target that the statements contained in this Section 4 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this Section 4).

(a) Organization. The Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its incorporation.

(b) Capitalization. The entire authorized capital stock of the Buyer consists of one thousand (1,000) Buyer Shares, of which one thousand (1,000) Buyer Shares are issued and outstanding and one thousand (1,000) Buyer Shares are held in treasury. All of the Buyer Shares to be issued in the Merger have been duly authorized and, upon consummation of the Merger, will be validly issued, fully paid, and nonassessable.

(c) Authorization of Transaction. The Buyer has full power and authority (including full corporate power and authority) to execute and deliver this Agreement and to perform its obligations hereunder; provided, however, that the Buyer cannot consummate the Merger unless and until it receives the Requisite Buyer Stockholder Approval. This Agreement constitutes the valid and legally binding obligation of the Buyer, enforceable in accordance with its terms and conditions.

(d) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which the Buyer is subject or any provision of the charter or bylaws of the Buyer or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument or other arrangement to which the Buyer is a party or by which it is bound or to which any of its assets is subject, except where the violation, conflict, breach, default, acceleration, termination, modification, cancellation, or failure to give notice would not have a material adverse effect on the ability of the Parties to consummate the transactions contemplated by this Agreement. To the Knowledge of any director or officer of the Buyer, and other than in connection with the provisions of the Hart-Scott-Rodino Act, the Idaho Corporation Law, the Securities Exchange Act, the Securities Act, and the state securities laws, the Buyer does not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement, except where the failure to give notice, to file, or to obtain any authorization, consent, or approval would not have a material adverse effect on the ability of the Parties to consummate the transactions contemplated by this Agreement.

(e) Brokers' Fees. The Buyer does not have any liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Target could become liable or obligated.

(f) Continuity of Business Enterprise. It is the present intention of the Buyer to continue at least one significant historic business line of the Target, or to use at least a significant portion of the Target's historic business assets in a business, in each case within the meaning of Reg. Section 1.368-1(d).

3. Covenants. The Parties agree as follows with respect to the period from and after the execution of this Agreement.

(a) General. Each of the Parties will use its reasonable best efforts to take all action and to do all things necessary, proper, or advisable in order to consummate and make effective the transactions contemplated by this Agreement (including satisfaction, but not waiver, of the closing conditions set forth in Section 6 below).

(b) Notices and Consents. The Target will give any notices to third parties, and will use its reasonable best efforts to obtain any third party consents, that the Buyer reasonably may request in connection with the matters referred to in Section 3(d) above.

(c) Regulatory Matters and Approvals. Each of the Parties will give any notices to, make any filings with, and use its reasonable best efforts to obtain any authorizations, consents, and approvals of governments and governmental agencies in connection with the matters referred to in Section 3(d) and Section 4(d) above, where necessary.

(d) Operation of Business. The Target will not engage in any practice, take any action, or enter into any transaction outside the Ordinary Course of Business. Without limiting the generality of the foregoing:

(i) Target will not authorize or effect any change in its charter or bylaws;

(ii) Target will not grant any options, warrants, or other rights to purchase or obtain any of its capital stock or issue, sell, or otherwise dispose of any of its capital stock (except upon the conversion or exercise of options, warrants, and other rights currently outstanding);

(iii) Target will not declare, set aside, or pay any dividend or distribution with respect to its capital stock (whether in cash or in kind), or redeem, repurchase, or otherwise acquire any of its capital stock, in either case outside the Ordinary Course of Business;

(iv) Target will not issue any note, bond, or other debt security or create, incur, assume, or guarantee any indebtedness for borrowed money or capitalized lease obligation outside the Ordinary Course of Business;

(v) Target will not impose any Security Interest upon any of its assets outside the Ordinary Course of Business;

(vi) Target will not make any capital investment in, make any loan to, or acquire the securities or assets of any other Person outside the Ordinary Course of Business;

(vii) Target will not make any change in employment terms for any of its directors, officers, and employees outside the Ordinary Course of Business; and

(viii) Target will not commit to any of the foregoing.

(e) Full Access. The Target will permit representatives of the Buyer to have full access to all premises, properties, personnel, books, records (including tax records), contracts, and documents of or pertaining to Target. The Buyer will treat and hold as such any Confidential Information it receives from Target in the course of the reviews contemplated by this Section 5(g), will not use any of the Confidential Information except in connection with this Agreement, and, if this Agreement is terminated for any reason whatsoever, agrees to return to the Target all tangible embodiments (and all copies) thereof which are in its possession.

(f) Notice of Developments. Each Party will give prompt written notice to the other of any material adverse development causing a breach of any of its own representations and warranties in Section 3 and Section 4 above.

(g) Exclusivity. The Target will not solicit, initiate, or encourage the submission of any proposal or offer from any Person relating to the acquisition of all or substantially all of the capital stock or assets of Target (including any acquisition structured as a merger, consolidation, or share exchange); provided, however, that the Target and its directors and officers will remain free to participate in any discussions or negotiations regarding, furnish any information with respect to, assist or participate in, or facilitate in any other manner any effort or attempt by any Person to do or seek any of the foregoing to the extent their fiduciary duties may require. The Target shall notify the Buyer immediately if any Person makes any proposal, offer, inquiry, or contact with respect to any of the foregoing.

(h) Insurance and Indemnification. The Buyer, as the Surviving Corporation in the Merger, will observe any indemnification provisions now existing in the certificate of incorporation or bylaws of the Target for the benefit of any individual who served as a director or officer of the Target at any time prior to the Effective Time.

(i) Continuity of Business Enterprise. Notwithstanding the changes in the Regulations and Internal Revenue Code Section 368, the Buyer will continue at least one significant historic business line of the Target, or use at least a significant portion of the Target's historic business assets in a business, in each case within the meaning of Reg. Section 1.368-1(d), except that the Buyer may transfer the Target's historic business assets (i) to a corporation that is a member of the Buyer's "qualified group," within the meaning of Reg. Section 1.368-1(d)(4)(ii), or (ii) to a partnership if (A) one or more members of the Buyer's "qualified group" have active and substantial management functions as a partner with respect to the Target's historic business or (B) members of the Buyer's "qualified group" in the aggregate own an interest in the partnership representing a significant interest in the Target's historic business, in each case within the meaning of Reg. Section 1.368-1(d)(4)(iii).

4. Conditions to Obligation to Close.

(a) Conditions to Obligation of the Buyer. The obligation of the Buyer to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

(i) this Agreement and the Merger shall have received the Requisite Target Stockholder Approval and the number of Dissenting Shares shall not exceed 10% of the number of outstanding Target Shares;

(ii) Target shall have procured all of the third party consents specified in Section 5(b) above;

(iii) the representations and warranties set forth in Section 3 above shall be true and correct in all material respects at and as of the Closing Date;

(iv) Target shall have performed and complied with all of its covenants hereunder in all material respects through the Closing;

(v) no action, suit, or proceeding shall be pending or threatened before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator wherein an unfavorable injunction, judgment, order, decree, ruling, or charge would (A) prevent consummation of any of the transactions contemplated by this Agreement, or (B) cause any of the transactions contemplated by this Agreement to be rescinded following consummation, there shall not be any judgment, order, decree,

stipulation, injunction, or charge in effect preventing consummation of any of the transactions contemplated by this Agreement;

(vi) Target shall have delivered to the Buyer a certificate to the effect that each of the conditions specified above in Section 6(a)(i)-(v) is satisfied in all respects;

(vii) this Agreement and the Merger shall have received the Requisite Buyer Stockholder Approval;

The Buyer may waive any condition specified in this Section 6(a) if it executes a writing so stating at or prior to the Closing.

(b) ~~Conditions to Obligation of the Target.~~ The obligation of the Target to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

(i) this Agreement and the Merger shall have received the Requisite Buyer Stockholder Approval;

(ii) the representations and warranties set forth in Section 4 above shall be true and correct in all material respects at and as of the Closing Date;

(iii) Buyer shall have performed and complied with all of its covenants hereunder in all material respects through the Closing;

(iv) this Agreement and the Merger shall have received the Requisite Target Stockholder Approval;

(v) all actions to be taken by the Buyer in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be reasonably satisfactory in form and substance to the Target.

The Target may waive any condition specified in this Section 6(b) if it executes a writing so stating at or prior to the Closing.

## 5. Miscellaneous.

(a) Survival. None of the representations, warranties, and covenants of the Parties (other than the provisions in Section 2 above concerning issuance of the Buyer Shares, the provisions concerning insurance and indemnification, and) will survive the Effective Time.

(b) No Third Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns; provided, however, that (i) the provisions in Section 2 above concerning issuance of the Buyer Shares and are intended for the benefit of the Target Stockholders and (ii) the provisions concerning insurance and indemnification are intended for the benefit of the individuals specified therein and their respective legal representatives.

(c) Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings,

agreements, or representations by or between the Parties, written or oral, to the extent they related in any way to the subject matter hereof.

(d) **Succession and Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Party.

(e) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

(f) **Headings.** The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(g) **Notices.** All notices, requests, demands, claims, and other communications hereunder will be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given if (and then two business days after) it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient as set forth below:

*If to the Target:        5050 South Yellowstone Highway  
                                 Idaho Falls, Idaho 83402*

*If to the Buyer:        5050 South Yellowstone Highway  
                                 Idaho Falls, Idaho 83402*

Any Party may send any notice, request, demand, claim, or other communication hereunder to the intended recipient at the address set forth above using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim, or other communication shall be deemed to have been duly given unless and until it actually is received by the intended recipient. Any Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Party notice in the manner herein set forth.

(h) **Governing Law.** This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Idaho without giving effect to any choice or conflict of law provision or rule (whether of the State of Idaho or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Idaho.

(i) **Amendments and Waivers.** The Parties may mutually amend any provision of this Agreement at any time prior to the Effective Time with the prior authorization of their respective boards of directors; provided, however, that any amendment effected subsequent to stockholder approval will be subject to the restrictions contained in the Idaho Corporation Law. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by both of the Parties. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

(j) **Severability.** Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of

the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

(k) Expenses. Each of the Parties will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

(l) Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context otherwise requires. The word "including" shall mean including without limitation.

(m) Incorporation of Exhibits and Schedules. The Exhibits and Schedules, if any, identified in this Agreement are incorporated herein by reference and made a part hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on as of the date first above written.

SELLER:

Rio Products Intl., Inc.

By: James D. Vincent  
Title: President

By: Cecily Pearson Vincent  
Title: Secretary

BUYER:

Paracelsus Industries, Inc.

By: James D. Vincent  
Title: President

By: Cecily Pearson Vincent  
Title: Secretary

**AMENDMENT TO AGREEMENT AND PLAN OF MERGER  
BETWEEN  
RIO PRODUCTS INTL., INC. AND PARACELSUS INDUSTRIES, INC.**

THIS AMENDMENT TO AGREEMENT AND PLAN OF MERGER (this "Amendment") is executed and made effective the 1<sup>st</sup> day of May, 2002, by and between Rio Products Intl., Inc. an Idaho corporation (the "Buyer"), and Paracelsus Industries, Inc., an Idaho corporation (the "Target"). The Buyer and the Target are referred to collectively herein as the "Parties".

**RECITALS**

**WHEREAS**, The Parties entered into that certain Agreement and Plan of Merger Between Rio Products Intl., Inc. and Paracelsus Industries, Inc. on the 1<sup>st</sup> day of January, 2001, which is attached hereto as Exhibit "A" and incorporated herein by reference (the "Agreement");

**WHEREAS**, The Parties desire to amend the Agreement to correct an error therein; and

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as set forth below.

**AGREEMENTS**

1. The foregoing recitals are incorporated herein as acknowledgments and agreements of the Parties.

2. The Parties herein agree to amend paragraph (b)(viii) of the Agreement to read as follows:

(viii) Conversion of Target Shares. At and as of the Effective Time, (A) each Target Share (other than any Dissenting Share or) shall be converted into the right to receive ten (10) Buyer Shares (the ratio of ten (10) Buyer Shares to one (1) Target Share is referred to herein as the "Conversion Ratio"), (B) each Dissenting Share shall be converted into the right to receive payment from the Surviving Corporation with respect thereto in accordance with the provisions of the Idaho Corporation Law, provided, however, that the Conversion Ratio shall be subject to equitable adjustment in the event of any stock split, stock dividend, reverse stock split, or other change in the number of Target Shares outstanding. No Target Share shall be deemed to be outstanding or to have any rights other than those set forth above in this Section 2(d)(v) after the Effective Time.

3. The Parties herein agree to amend paragraph (c)(2)(b) of the Agreement to read as follows:

(c)(2)(b) Capitalization. The entire authorized capital stock of the Buyer consists of one thousand (1,000) Buyer Shares, of which one thousand (1,000) Buyer Shares are issued and outstanding and zero



(0) Buyer Shares are held in treasury. All of the Buyer Shares to be issued in the merger have been duly authorized and, upon consummation of the Merger, will be validly issued, fully paid, and nonassessable.

4. Except as modified by this Amendment, all other terms, conditions, covenants and agreements contained in the Agreement shall remain in full force and effect and are hereby ratified by the Parties signing below.

5. The Parties signing below herein represent and warrant that by executing this Amendment they have full authority to sign and bind themselves.

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the date first written above.

TARGET:

Paracelsus Industries, Inc.

By: *James D. Vincent*  
Title: *President*

By: *Cecily Pearson Vincent*  
Title: *Secretary*

BUYER:

Rio Products Intl., Inc.

By: *James D. Vincent*  
Title: *President*

By: *Cecily Pearson Vincent*  
Title: *Secretary*

Exhibit A

AGREEMENT