

State of Idaho



Department of State

CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION

I, ~~ARTHUR WILLIAMS~~ ^{LOUIS E. CLAPP}, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the

THE COEUR D'ALENES COMPANY

a corporation organized and existing under and by virtue of the laws of the State of Idaho, filed in this office on the **Twentieth** day of **June** 19 **66**, original articles of amendment, as provided by Sections **30-14, 30-151 & 30-152, Idaho Code, Agreement of Merger**, merging **UNION IRON WORKS**, a Washington corporation not qualified in Idaho, with and into **THE COEUR D'ALENES COMPANY**,

and that the said articles of amendment contain the statement of facts required by law, and ~~are~~ ^{will be} recorded on ~~film~~ ^{microfilm} of Record of Domestic Corporations of the State of Idaho.

I THEREFORE FURTHER CERTIFY, That the Articles of Incorporation have been amended accordingly.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this **20th** day of **June**, A. D., **1966**.

Secretary of State

AGREEMENT OF MERGER

THIS AGREEMENT entered into this 25 day of March, 1966, between THE COEUR D'ALENES COMPANY, an Idaho corporation, hereinafter called "COEUR D'ALENES", and the UNION IRON WORKS, a Washington corporation, hereinafter referred to as "UIW",

W I T N E S S E T H:

WHEREAS, COEUR D'ALENES is capitalized for \$1,000,000 divided into 1,000,000 shares having a par value of \$1.00 per share, of which 592,689 shares are issued and outstanding; and,

WHEREAS, UIW is capitalized for \$100,000.00 divided into 10,000 shares having a par value of \$10.00 per share, all of which are issued and outstanding; and,

WHEREAS, the respective Boards of Directors of said corporations are of the opinion that it would be for the benefit and to the advantage of each of said corporations and the shareholders thereof to merger UIW into COEUR D'ALENES pursuant to the terms of Idaho Code, Sections 30-151 to 30-156 inclusive, and pursuant to RCW Sections 23.01.460 to 23.01.510 inclusive, pertaining to the merger of corporations organized under the laws of the State of Washington with corporations organized under the laws of another state,

NOW, THEREFORE, in consideration of the premises and in consideration of the mutual covenants and agreements hereinafter set out and by each of the parties to be kept and performed, IT IS HEREBY MUTUALLY AGREED that UIW shall be, and it hereby is merged into COEUR D'ALENES under and pursuant to the provisions of Idaho Code, Sections 30-151 to 30-156 inclusive, and pursuant to RCW 23.01.460 to 23.01.510 inclusive, pertaining to the merger of corporations organized under the laws of the State of Washington with corporations organized under the laws of another state.

IT IS HEREBY FURTHER MUTUALLY AGREED that UIW shall be so merged into COEUR D'ALENES upon the following terms and conditions:

1. COEUR D'ALENES shall issue to each and every shareholder of UIW six (6) shares for every one share of UIW, plus an additional share or shares, or fraction thereof of COEUR D'ALENES stock (as determined immediately after the final accounting pertaining to the sale of certain UIW properties and prior to merger) which may be necessary to bring the total amount of COEUR D'ALENES stock exchanged for each share of UIW stock up to the ratio of COEUR D'ALENES stock to UIW stock equivalent to the ratio of the net worth per share of COEUR D'ALENES stock to the net worth per share of UIW stock. The determination of the net worth of each of the companies shall be made by Ernst & Ernst, Certified Public Accountants of Spokane, Washington, and H. Magnuson & Co. of Wallace, Idaho. The net worth of UIW shall be computed at the date of completion of the sale of certain properties of UIW and in accordance with generally accepted accounting principles. In the event the two named CPA's cannot agree as to the final net-worth ratio, they shall select a third firm of CPA's and the decision of two of the three CPA's shall be final.

2. The merger shall be effective as of the close of business May 31, 1966.

3. Within twenty (20) days of approval of this Agreement of Merger of UIW into COEUR D'ALENES as herein provided, COEUR D'ALENES shall cause to be delivered to a responsible custodian, approved by the President of each of the parties hereto, sufficient certificates of the common stock of COEUR D'ALENES to effectuate the exchange of the common stock of the parties hereto as described in paragraph 1 above. The written instructions to the custodian shall direct the custodian to issue and deliver a certificate of the stock of COEUR D'ALENES to each shareholder of UIW who shall deliver his UIW stock certificates

to the custodian properly endorsed and the signature guaranteed. The certificate of COEUR D'ALENES thereafter issued by the custodian to the UIW shareholder shall be properly executed by the officers of COEUR D'ALENES and shall be for the number of shares of COEUR D'ALENES equal to the basis of exchange described in paragraph 1 above; provided, however, that COEUR D' ALENES shall purchase all fractional shares of COEUR D'ALENES stock that would otherwise be issued at the market on the day the merger receives final shareholder approval unless the UIW shareholder upon surrendering his shares to said custodian indicates in writing his desire to receive a fractional script certificate issued to "Bearer". Two of said fractional share certificates shall be entitled to one share of COEUR D'ALENES said stock. Any script certificate not surrendered within a six-month period following the effective date of said merger shall be thereafter redeemable only in cash at the market value of COEUR D'ALENES as of the expiration of said six-months period.

In the event that any shareholders of UIW shall fail to turn in their said shares in exchange for the shares of COEUR D' ALENES to which they shall be entitled hereunder within Eighteen (18) months following the effective date of said merger, the custodian shall return such COEUR D'ALENES shares to COEUR D'ALENES which shall hold the same for the use and benefit of the persons entitled thereto.

4. Upon the consummation of this Agreement and upon the consummation of the merger of UIW into COEUR D'ALENES said two corporations shall become and thereafter be one corporation, to-wit: THE COEUR D'ALENES COMPANY; the separate corporate existence of UIW shall cease and COEUR D'ALENES shall possess all the rights, privileges and franchises possessed by UIW; all the

property, real, personal and mixed, of each of said corporations, and all debts due on whatever account to either of them, including subscriptions for shares and other choses in action belonging to either of them, shall be taken and be deemed to be transferred to and vested in COEUR D'ALENES without further act or deed; COEUR D'ALENES shall be responsible for all the liabilities and obligations of each of the corporations merged in the same manner as if COEUR D'ALENES had itself incurred such liabilities or obligations, but the liabilities of each of the corporations merged or of their shareholders, directors or officers shall not be affected, nor shall the rights of the creditors of either such corporation or of any persons dealing with either such corporation be impaired by such merger, and any claim existing or action or proceeding pending by or against either such corporation may be prosecuted to judgment as if such merger had not taken place, or COEUR D'ALENES may be proceeded against or substituted in the place of UIW.

5. Pending final consummation of the agreement UIW shall not make any distribution of funds to its stockholders by way of dividends or otherwise, and shall not pledge or subject to lien or encumbrance any of its properties or property rights, and shall not sell or otherwise dispose of or transfer any of its assets or incur or become liable for any liabilities or make any expenditures except in the ordinary course of its business or except in furtherance of aims, purposes and ends of this merger agreement. Steps to liquidate the obligations of UIW to the Old National Bank and to this end and for that purpose to dispose of real property, equipment, merchandise, inventory, scrap and supplies which will not be required after the merger;

to subcontract work in progress which the merged corporation will not desire to finish shall be considered to be in furtherance of the aims, purposes and ends of this Merger Agreement.

6. Any and all expenses which may be incurred in connection with this Agreement after its approval by the shareholders of each corporation shall be assumed and paid by COEUR D'ALENES.

7. Upon the consummation of this Agreement and the effectuation of the merger of UIW into COEUR D'ALENES, the Coeur d'Alenes Company shall be governed by the laws of the State of Idaho, but COEUR D'ALENES, being qualified to do business in the State of Washington may be served with process in the State of Washington in any proceedings for the enforcement of any obligation of UIW, as well as for the enforcement of any obligation of COEUR D'ALENES arising out of or as a result of said merger, including any suit or other proceeding to enforce the rights of any stockholder as determined in appraisal proceedings pursuant to RCW Section 23.01.450, laws of the State of Washington.

8. This Agreement in duplicate shall be executed initially by the respective Board of Directors of UIW and COEUR D'ALENES upon the same being approved by a vote of a majority of each of said Boards. Thereupon this Agreement shall be submitted for consideration to the stockholders of UIW at a meeting called pursuant to RCW Section 23.01.280 and to the stockholders of COEUR D'ALENES at a meeting called pursuant to Idaho Code, Section 30-133, and at each of said meeting, which shall be called and held separately, this Agreement shall be considered and a vote, in person or by proxy, shall be taken for the adoption or rejection of the same, each share entitling the holder thereof to one vote.

If, at such meetings the holders of two-thirds of the voting

power of all shareholders of each corporation shall vote for the adoption of this Agreement, then that fact shall be certified on this Agreement by the Secretary of each corporation, and the Agreement so adopted and certified shall be signed by the President or Vice-President and Secretary and acknowledged by the President or Vice-President of each corporation. The agreement so adopted, certified and acknowledged shall be delivered to the Secretary of State of the States of Washington and Idaho for filing and recording therein, and a copy thereof certified by the appropriate Secretary of State shall be filed for record in the counties of each State in which the corporate parties to the agreement have their registered offices and of any counties in which any of the corporate parties have land, title to which will be transferred as a result of the merger.

9. UIW and COEUR D'ALENES each for itself warrants:

1. That the Balance Sheets, the Profit and Loss Statements and other financial and operating information furnished by one to the other are true statements of the facts represented therein.
2. That, except as otherwise shown upon its books, it has valid and merchantable title to all assets, whether real or personal, shown upon its books.
3. That there are no legal proceedings pending against it, nor any anticipated, which if determined adversely would substantially affect its financial or operating position.

Should the foregoing warranty be breached with the result that the financial or operating position of either company be adversely affected in a substantial manner, the other company may

withdraw from this merger at any time prior to June 1, 1966. Such right to withdraw shall be its only remedy for such breach of warranty.

10. NOTWITHSTANDING ANY OF THE FOREGOING PROVISIONS OF THIS AGREEMENT, IT IS EXPRESSLY UNDERSTOOD AND AGREED, that the Board of Directors of COEUR D'ALENES may, at its option, by a majority vote of its members, terminate this Agreement and proceed no further with the effectuation thereof for any purpose in the event any one or more of the following conditions shall pertain:

1. COEUR D'ALENES shall, as a result of said merger, be required to purchase more than 25,000 shares of its capital stock from dissenting stockholders.
2. UIW shall, as a result of said merger, be required to purchase more than 1,000 shares of the capital stock of UIW from dissenting stockholders,

and said Merger Agreement may also be terminated and voided by a majority vote of the Board of Directors of COEUR D'ALENES unless:

the Old National Bank of Spokane, Washington executes and furnishes Coeur 'Alenes a true and correct copy of a written release and satisfaction of all indebtedness of UIW to the Old National Bank evidenced by unsecured promissory notes in the sum of EIGHT HUNDRED THIRTY-NINE THOUSAND THREE HUNDRED SIXTY-THREE DOLLARS AND SEVENTY-EIGHT CENTS (\$839,363.78) plus interest.

IN WITNESS WHEREOF, this Agreement has been duly executed on behalf of THE COEUR D'ALENES COMPANY by the undersigned who constitute

a majority of said Board pursuant to a resolution duly adopted at a special meeting of said Board; and this Agreement has been duly executed on behalf of UNION IRON WORKS by the undersigned who constitute a majority of said Board, the day and year first above written.

ATTEST:

Secretary

Robert B. Austin

Arnos B. Martin

Harley H. Mangum

Samuel H. Hines

Members of the Board of Directors of
The Coeur d'Alenes Company

Wm. A. Shurtz, Jr.

A. D. Roberts

Fredrick C. Stumelle

Franklin K. Smith

H. E. Jones

A. G. Robinson

ATTEST:

Secretary

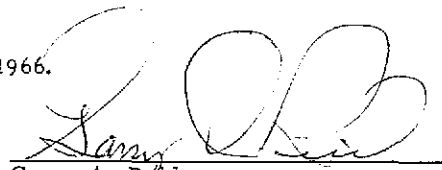
Fredrick C. Stumelle

Members of the Board of Directors of
Union Iron Works

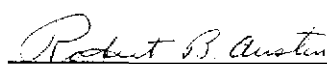
ENDORSEMENT OF AGREEMENT OF MERGER
BY OFFICERS OF THE COEUR D'ALENES COMPANY
FOLLOWING SHAREHOLDER APPROVAL

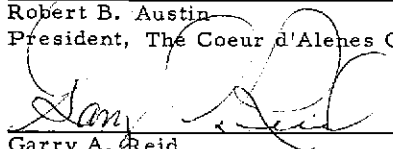
The undersigned being the duly appointed and acting secretary of The Coeur d'Alenes Company does hereby certify that at a meeting of the shareholders of said company held on May 31, 1966 and duly called for the purpose of considering and acting upon said merger, the holders of more than two-thirds of the voting power of all shareholders of The Coeur d'Alenes Company voted for the adoption of the foregoing Agreement of Merger dated March 25, 1966 wherein it was agreed that the Union Iron Works would be merged into The Coeur d'Alenes Company.

Dated this 31st day of May, 1966.


Garry A. Reid
Secretary, The Coeur d'Alenes Company

Witnesseth herewith the signature of the President and Secretary respectively of The Coeur d'Alenes Company to said Agreement of Merger adopted by the vote of more than two-thirds of the shareholders of said company as certified to by the secretary thereof.


Robert B. Austin
President, The Coeur d'Alenes Company



Garry A. Reid
Secretary, The Coeur d'Alenes Company

STATE OF IDAHO }
 } ss.
County of Shoshone }

On this 31st day of May, 1966, before me personally appeared Robert Austin, known to me to be the President of The Coeur d'Alenes

Company and acknowledged to me that said corporation executed the same in the
by RCW 23.01.470 and
manner and nature and with the formality required/by Idaho Code Section 30-152.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
Notarial Seal the day and year in this certificate first above written.


Notary Public in and for the State of Idaho,
Residing at Wallace, Idaho.

acknowledged to me that said corporation executed the same in the manner and
nature and with the formality required by RCW 23.01.470 and Idaho Code Section 30-152.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
Notarial Seal the day and year in this certificate first above written.

Mary M. Petrinovich

Notary Public in and for the State of Idaho,
Residing at Wallace, Idaho.

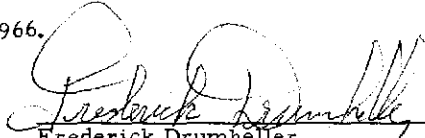
ENDORSEMENT OF AGREEMENT OF MERGER

BY OFFICERS OF UNION IRON WORKS


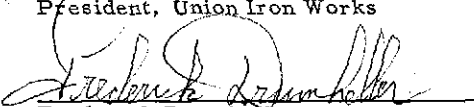
FOLLOWING SHAREHOLDER APPROVAL

The undersigned being the duly appointed and acting secretary of Union Iron Works does hereby certify that at a meeting of the shareholders of said company held on March 25th, 1966 and duly called for the purpose of considering and acting upon said merger, the holders of more than two-thirds of the voting power of all shareholders of Union Iron Works voted for the adoption of the foregoing Agreement of Merger dated March 25, 1966 wherein it was agreed that the Union Iron Works would be merged into The Coeur d'Alenes Company.

Dated this 31st day of May, 1966.


Frederick Drumheller
Secretary, Union Iron Works

Witnesseth herewith the signature of the President and Secretary respectively of Union Iron Works to said Agreement of Merger adopted by the vote of more than two-thirds of the shareholders of said company as certified to by the secretary thereof.


Joseph Drumheller
President, Union Iron Works

Frederick Drumheller
Secretary, Union Iron Works

STATE OF IDAHO)
) ss.
County of Shoshone)

On this 31st day of May, 1966, before me personally appeared Joseph Drumheller, known to me to be the President of Union Iron Works and