

FILED

ARTICLES OF AMENDMENT

TO: Secretary Of State Of The State of Idaho

Pursuant to Title 30, Chapter 1, Idaho Code (including § 30-1-602), the undersigned corporation amends its Restated Articles Of Incorporation as follows:

1. The name of the corporation is Pro Air, Inc.
2. Text of Each Amendment. The following language is being added to Article IV of the Restated Articles of Incorporation of Pro Air, Inc.: All language state on attached Exhibit A.
3. The date of adoption of these amendments was April 13, 1999.
4. Manner of Adoption. The amendments consist exclusively of matters which do not require shareholder action pursuant to § 30-1-602, Idaho Code, and were therefore duly adopted by the board of directors.

DATED this 30th day of June, 1999.

Signed by: Bradley D. Toney
 Bradley D. Toney
 Secretary of Pro Air, Inc.

STATE OF IDAHO
 99 JUL - 5 AM 10:33

IDAHO SECRETARY OF STATE
 07/06/1999 09:00
 CK: 11144 CT: 76578 IN: 231440
 1 @ 30.00 = 30.00 AMEND PROF # 2
 1 @ 20.00 = 20.00 EXPEDITE C # 3

C112994

SERIES D PREFERRED STOCK

1. Dividends. The Series D Preferred Stock will accrue dividends at a rate of \$0.39 per share per annum commencing December 31, 2001. Preferential dividends on Preferred Stock, subject to the Corporation's ability to pay same, will be payable semi-annually as of January 15 and July 15 each year with the first dividend payable (if at all) July 15, 2002, provided that no preferential dividend will accrue or be payable after such time as the Corporation is required to file periodic reports with the Securities and Exchange Commission. Preferential dividends not paid will be cumulated. In the event a holder's number of preferred shares is proportionately adjusted due to a stock split or stock combination, then the preferential dividend rate per share per annum will be similarly proportionately adjusted. In addition, the holders of record of shares of this Series shall be entitled to participate in cash dividends declared on shares of Common Stock, when and as declared by the Board of Directors, out of funds legally available therefor on such dates as may from time to time be determined by the Board of Directors, as if the holders of this Series had exercised their privilege in accordance with Section 4 to convert all of their shares of this Series into shares of Common Stock at the Conversion Price (as such Conversion Price is adjusted from time to time in accordance with Section 6) in effect on the day prior to the date of declaration of the dividend, with the exception that the amount of any such cash dividend payable to the holders of record of this Series will be limited to the amount any such cash dividend on shares of Common Stock exceeds the amount paid to holders of this Series for the immediately prior semi-annual period described above. The Corporation will not pay dividends on shares of Common Stock unless all cumulated preferential dividends have been paid.

2. Liquidation. In the event of a liquidation, dissolution or winding up of the Corporation, the holders of shares of this Series shall be entitled to receive out of the assets of the Corporation an amount equal to \$5.00 per share, plus any accrued and unpaid dividends thereon to the date fixed for distribution, in preference to and in priority over any distribution upon the Common Stock of the Corporation. In the event a holder's number of preferred shares is proportionately adjusted due to a stock split or stock combination, then the preferential liquidation amount per share will be similarly proportionately adjusted. If the assets of the Corporation are not sufficient to pay such amounts in full to the holders of this Series and all other series of Preferred Stock of the Corporation ranking equally as to liquidation preferences with the shares of this Series, then the holders of this Series and of all such other series of Preferred Stock, shall share ratably in any such distribution of assets in accordance with the amounts which would be payable on such distribution if the amounts to which the holders of this and all such other series are entitled were paid in full. Thereafter, any further distribution of assets of the Corporation will inure to the benefit of holders of Common Stock only.

3. Voting Rights. Each holder of this Series shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock with each

holder being entitled to one vote for each share of Preferred Stock held. Each holder of this Series shall be entitled to notice of any shareholders' meeting in accordance with the Bylaws of the Corporation, and shall be entitled to vote, together with the holders of Common Stock, with respect to any question upon which holders of Common Stock have the right to vote. Except as provided in Subsection 3.a or unless otherwise inconsistent with the provisions of the Idaho Business Corporation Act, the holders of shares of this and all other series of Preferred Stock shall not be entitled to vote as a class on any matter.

a. Changes in Preferred Stock Terms. The Corporation may, by resolution of its Board of Directors or as otherwise permitted by law, from time to time alter or change the preferences, rights or powers of this Series; provided that no such alteration or change shall be made which adversely affects the preferences, rights or powers of the shares of this Series of Preferred Stock of the Corporation without the affirmative vote or the written consent as provided by law of the holders a majority of the outstanding shares of this Series of Preferred Stock, voting as a single class. Nothing in this Subsection a shall require a class vote or consent in connection with the authorization, designation, increase or issuance of any bonds, mortgages, debentures or other obligations of the Corporation, or because of any adjustment in the provisions of this Series made pursuant to Section 6.

4. Conversion.

a. Privilege and Price. The holders of shares of this Series shall have the right, at their option, to convert such shares into nonassessable shares (calculated as to each conversion to the nearest 1/100 of a share) of Common Stock of the Corporation. The price at which shares of Common Stock shall be delivered upon conversion shall be \$5.00 per share of Common Stock; each share of this Series to be taken, for the purpose of such conversion, at \$5.00. Such price shall be subject to adjustment from time to time as provided in Section 6 and, as from time to time adjusted, is herein called the "Conversion Price."

b. Automatic Conversion. Each share of this Series of Preferred Stock shall automatically be converted into shares of Common Stock at the then effective Conversion Price, immediately upon the closing of an underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, covering the offer and sale of Common Stock of the Corporation. Upon such event, the outstanding shares of this Series of Preferred Stock shall be converted automatically without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; provided, however, that the Corporation shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon such conversion unless certificates evidencing such shares of Preferred Stock being converted are either delivered to the Corporation or its transfer agent.

5. Conversion Procedure. In order to convert shares of this Series into Common Stock, the holder shall surrender at the office of any transfer agent for this Series designated for that purpose by the Board of Directors, or at any such other office as may be designated by the Board of Directors, the certificate or certificates therefor, duly endorsed or assigned to the Corporation or in blank, and, in the case of a voluntary conversion, shall give written notice to the Corporation at said office of the election to convert such shares. No payment or adjustment shall be made upon any conversion on account of any dividends accrued on the shares of this Series surrendered for conversion on or account of any dividends on the Common Stock issued upon conversion.

In the case of a voluntary conversion, shares of this Series shall be deemed to have been converted immediately prior to the close of business on the day of the surrender of such shares for conversion in accordance with the foregoing provisions and the person or persons entitled to receive the Common Stock issuable upon such conversion shall be treated for all purposes as the recorded holder or holders of such Common Stock at such time. As promptly as practicable on or after the conversion date, the Corporation shall issue and shall deliver a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion, together with a payment in lieu of any fraction of a share, as hereinafter provided, to the person or persons entitled to receive the same.

No fractional shares of Common Stock shall be issued upon conversion, but, instead of any fraction of a share which would otherwise be issuable, the Corporation shall pay a cash adjustment in respect of such fraction in an amount equal to the same fraction of the market price per share of Common Stock at the close of business on the day of conversion.

The Corporation shall at all times reserve and keep available, free from preemptive rights, out of its authorized but unissued Common Stock, for the purpose of effecting the conversion of the shares of this Series, the full number of shares of Common Stock then deliverable upon the conversion of all shares of this Series then outstanding.

6. Adjustment of Conversion Price. The Conversion Price shall be subject to adjustment from time to time as follows:

a. Adjustment for Stock Splits and Combination. If the Corporation shall at any time or from time-to-time after the date of issuance of this Series of Preferred Stock (the "Issue Date"), effect a subdivision or split of the outstanding Common Stock, the Conversion Price then in effect immediately before that subdivision shall be proportionately decreased. Conversely, if the Corporation shall at any time or from time-to-time after the Issue Date combine the outstanding shares of Common Stock, the Conversion Price then in effect immediately before the combination shall be proportionately increased. Any such adjustment shall become effective at the close of business on the date the subdivision or combination becomes effective.

b. Adjustment for Certain Dividends. In the event the Corporation at any time or from time-to-time after the Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in additional shares of Common Stock, then and in each such event the Conversion Price then in effect shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the Conversion Price then in effect by a fraction:

(1) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(2) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

c. Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time-to-time after the Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation other than shares of Common Stock, then and in each such event provision shall be made so that the holders of this Series of Preferred Stock shall receive upon conversion thereof in addition to the number of shares of Common Stock receivable thereupon, the amount of securities of the Corporation which they would have received had their Preferred Stock been converted into Common Stock on the date of such event.

d. Adjustment for Reclassification, Exchange and Substitution. If the Common Stock issuable upon the conversion of this Series shall be changed into the same or a different number of shares of any class or classes of stock, whether by capital reorganization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend provided for above), or a reorganization, merger, consolidation or sale of assets provided for elsewhere in this Section 6, then and in each such event the holder of each share of this Series shall have the right thereafter to convert such share into the kind and amount of shares of stock and other securities and property receivable upon such reorganization, reclassification or other change, by holders of the number of shares of Common Stock into which such shares of this Series might have been converted immediately prior to such reorganization, reclassification or change, all subject to further adjustment as provided herein.

e. Mergers and Certain Other Reclassifications of Common Stock. In case of the consolidation or merger of the Corporation with and into another corporation or the conveyance of all or substantially all of the assets of the Corporation to another corporation, each holder of this Series shall thereafter be entitled to convert shares of

this Series into that number of shares of stock or other securities or property which would have been deliverable to such holder upon such consolidation, merger or conveyance if such holder had converted the shares of this Series into Common Stock immediately prior to such consolidation, merger or conveyance. In any such case, the Board of Directors of the Corporation shall by resolution make any appropriate adjustment in the provisions of this Series to the end that such provisions shall thereafter be applicable, as nearly as reasonably possible, in relation to any shares of stock or other securities or property deliverable after such consolidation, merger or conveyance upon the conversion of shares of this Series.

7. No Other Rights. The shares of this Series shall not have any relative, participating, optional or other special rights or powers other than as set forth above and in the Articles of Incorporation of the Corporation, as amended.