

**FILED****ARTICLES OF MERGER**

Pursuant to the provisions of Section 30-1-1105 and Section 30-1-1107 of the Idaho Business Corporation Act, the undersigned corporations, Pelland Automation, Inc. an Idaho corporation (iPelland Idaho) and Pelland Automation, Inc., a Delaware corporation (iPelland Delaware) adopt the following Articles of Merger for the purpose of merging them into one of such corporations.

1. The name of the surviving corporation in the merger is Pelland Automation, Inc., a corporation organized and existing under the laws of the state of Delaware.
2. The Plan of Merger is attached hereto as Exhibit A.
3. The Plan of Merger was adopted by the constituent corporations in the following manner:
  - (a) The Plan was approved by resolution adopted by the board of directors of each constituent corporation.
  - (b) As to the approval of the Plan by the shareholders of Pelland Idaho, the designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan, and the total number of votes cast for and against the Plan by each voting group entitled to vote separately thereon is as follows:

<u>Designation</u>	<u>Number of Outstanding Shares</u>	<u>Number of Votes Entitled to be Cast</u>	<u>Number of Votes Cast For</u>	<u>Number of Votes Cast Against</u>
Common Stock	1,121,802	1,121,802	1,121,802	0

4. Pelland Delaware has authorized capital stock consisting of 8,000,000 shares of common stock, \$.001 par value and 2,000,000 shares of preferred stock, \$.001 par value, none of which shares are issued or outstanding. Pursuant to the Merger Agreement, one share of Pelland Idaho will be automatically convertible into and become the right to receive one share of Pelland Delaware common stock, validly issued, fully paid and non-assessable.

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1 @ 20.00 = 20.00 EXPEDITE C # 3

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5. Pelland has complied with the applicable provisions of the laws of the state of Delaware under which it is incorporated, and this merger is permitted by such laws.

Dated this 28<sup>th</sup> day of April, 1999

PELLAND AUTOMATION, INC.  
(a Delaware Corporation)

By: Chris Flanigan  
Name: Chris Flanigan  
Title: President

PELLAND AUTOMATION, INC.  
(an Idaho Corporation)

By: Chris Flanigan  
Name: Chris Flanigan  
Title: President



**EXHIBIT A****AGREEMENT AND PLAN OF MERGER**

Agreement and Plan of Merger (this "Plan of Merger") made as of the \_\_\_\_ day of April, 1999, by and between Pelland Automation, Inc., an Idaho corporation ("Pelland Idaho"), and Pelland Automation, Inc., a Delaware corporation ("Pelland Delaware"); Pelland Idaho and Pelland Delaware are hereinafter sometimes collectively referred to as the "Constituent Corporations"). Pelland Delaware will be the surviving corporation, sometimes hereinafter referred to as the "Surviving Corporation".

**WITNESSETH:**

WHEREAS, Pelland Idaho has authorized capital stock consisting of 5,000,000 shares of common stock, of no par value, of which 1,121,802 shares are issued and outstanding and none of which are held as treasury shares; and

WHEREAS, Pelland Delaware has authorized capital stock consisting of 8,000,000 shares of common stock, \$.001 par value and 2,000,000 shares of preferred stock, \$.001 par value, none of which shares are issued and outstanding; and

WHEREAS, the Board of Directors of each of the Constituent Corporations deems it advisable and to the advantage and welfare of their respective Constituent Corporations and shareholders that Pelland Idaho merge with and into Pelland Delaware, with Pelland Delaware to be the Surviving Corporation, pursuant to the provisions of Sections 30-1-1105 and 30-1-1107 of the Idaho Business Corporation Act (the "IBCA") and Section 252 of the General Corporation Law of the State of Delaware (the "DGCL");

NOW, THEREFORE, subject to the approval of this Plan of Merger by the shareholders of Pelland Idaho, the Constituent Corporations hereby agree as follows:

**FIRST: Merger.** At the Effective Time (as defined in Paragraph SECOND herein), Pelland Idaho will be and it hereby is merged with and into Pelland Delaware (the "Merger").

**SECOND: Effective Time.** This Plan of Merger will become effective immediately upon filing of the certificates of merger. Such date and time is herein referred to as the "Effective Time".

**THIRD: Plan of Merger.** This Plan of Merger constitutes a plan of merger pursuant to Sections 30-1-1105 and 30-1-1107 of the IBCA and Section 252 of the DGCL, to be carried out in the manner, on the terms and subject to the conditions herein set forth.

**FOURTH: Surviving Corporation.** At the Effective Time, the separate existence of Pelland Idaho will cease, and Pelland Delaware, as the Surviving Corporation of the Merger, will continue



to exist under and be governed by the laws of the State of Delaware. The name of the Surviving Corporation will remain Pelland Automation, Inc.

**FIFTH: *Terms and Conditions of the Merger.***

(a) *Rights and Liabilities of the Surviving Corporation:* At and after the Effective Time, the Surviving Corporation will succeed to and possess, without further act or deed, all of the estate, rights, privileges, powers, and franchises, both public and private, and all of the property, real, personal and mixed, of the Constituent Corporations; all debts due either of the Constituent Corporations will be vested in the Surviving Corporation; all claims, demands, property, rights, privileges, powers and franchises and every other interest of either of the Constituent Corporations will be the property of the Surviving Corporation; the title to any real property of either of the Constituent Corporations will not revert or be in any way impaired by reason of the Merger, but will be vested in the Surviving Corporation; all rights of creditors and all liens upon any property of either of the Constituent Corporations will be preserved unimpaired, limited in lien to the property affected by such lien at the Effective Time; and all debts, liabilities and duties of the Constituent Corporations will thenceforth attach to the Surviving Corporation and may be enforced against it to the same extent as if such debts, liabilities and duties had been incurred or contracted by the Surviving Corporation.

(b) *Conversion of Outstanding Stock:* At the Effective Time, each outstanding share of Pelland Idaho common stock shall by operation of law and without further action on the part of the former holders, automatically be converted into and become the right to receive one share of Pelland Delaware common stock, validly issued, fully paid and non-assessable subject to dissenting shareholders' rights under Sections 30-1-1107 and 30-1-1302 of the IBCA.

(c) *Conversion of Options to Purchase Stock:* At the Effective Time, each option to purchase one share of Pelland Idaho common stock shall, with the consent of the holder thereof, become the right to receive one share of Pelland Delaware common stock, validly issued, fully paid and non-assessable.

**SIXTH: *Certificate of Incorporation; By-laws.*** The certificate of incorporation of Pelland Delaware as existing at the Effective Time will be unaffected by the Merger and will be the certificate of incorporation of the Surviving Corporation until the same is amended or repealed in accordance with Delaware law. The By-laws of Pelland Delaware, as existing at the Effective Time will continue in force as the By-laws of the Surviving Corporation until altered, amended or repealed as provided therein or as provided by law.

**SEVENTH: *Directors and Officers of the Surviving Corporation.*** The directors and officers of Pelland Delaware immediately prior to the Merger, whose names and offices are set forth on Exhibit A attached hereto, will be the directors and officers of the Surviving Corporation, to hold office until their respective successors have been elected and shall qualify, or as otherwise provided in the By-Laws of the Surviving Corporation.



**EIGHTH: Termination.** This Plan of Merger may be terminated and the Merger abandoned for any reason whatsoever, by mutual consent of the Boards of Directors of the Constituent Corporations, at any time prior to the Effective Time, notwithstanding adoption and approval of this Plan of Merger by the shareholders of the Constituent Corporations.

**NINTH: Amendment.** This Plan of Merger may be amended at any time prior to the Effective Time by mutual consent of the Boards of Directors of the Constituent Corporations; provided, however, that no such amendment shall adversely affect the rights of the shareholders of Pelland Idaho or Pelland Delaware subsequent to the adoption and approval of this Plan of Merger by the shareholders of Pelland Idaho or Pelland Delaware, as the case may be.

IN WITNESS WHEREOF, the foregoing Plan of Merger, which was duly adopted by the Board of Directors of each of the Constituent Corporations, has been executed by the Chief Executive Officer and President and Secretary of each of the Constituent Corporations on and as of the date first set forth above.

PELLAND AUTOMATION, INC.  
an Idaho Corporation

By: \_\_\_\_\_  
Chris Flanigan, President

Attest: \_\_\_\_\_  
Kim Benefield, Secretary

PELLAND AUTOMATION, INC.  
a Delaware Corporation

By: \_\_\_\_\_  
Chris Flanigan, President

Attest: \_\_\_\_\_  
Kim Benefield, Secretary



I, \_\_\_\_\_, Secretary of Pelland Automation, Inc., a corporation organized and existing under the laws of the State of Delaware ("Pelland Delaware", also referred to as the "surviving corporation"), hereby certify, as such Secretary, that the Agreement of Merger to which this Certificate is attached, after having been first duly signed on behalf of the said corporation and having been signed on behalf of Pelland Automation, Inc., a corporation existing under the laws of the State of Idaho, was duly adopted pursuant to subsection (f) of section 251 of the General Corporation Law of Delaware without any vote of the stockholders of the surviving corporation; and that no shares of the surviving corporation were issued prior to the adoption by the Board of Directors of the surviving corporation of the resolution approving the Agreement of Merger; and that subsection (f) of section 251 of the General Corporation Law of Delaware is applicable; and that the Agreement of Merger was adopted by the Board of Directors of said Pelland Delaware, and is the duly adopted agreement and act of the said corporation.

WITNESS my hand on this \_\_\_\_\_ day of April, 1999.

\_\_\_\_\_  
Secretary



**EXHIBIT A - Officers and Directors of Pelland Automation, Inc. (Delaware)**

Chris Flanigan - President, Director  
Kim Benefield - Treasurer, Secretary, Director  
Chris Chambers - Vice President, Director  
Martin Matthews - Director  
Ray Pelland - Director