

FILED EFFECTIVE

AGREEMENT AND PLAN OF MERGER  
OF  
LOVING SPRINGS RANCH, L.P., A WASHINGTON LIMITED PARTNERSHIP  
AND  
LOVING SPRINGS RANCH LP, AN IDAHO LIMITED PARTNERSHIP

2014 OCT -3 PM 3:56  
SECRETARY OF STATE  
STATE OF IDAHO

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THIS AGREEMENT AND PLAN OF MERGER ("Agreement") is made and entered into effective the 25<sup>th</sup> day of September, 2014, by and between Loving Springs Ranch, L.P., a Washington limited partnership ("Loving Springs Ranch Washington"), and Loving Springs Ranch LP, an Idaho limited partnership ("Loving Springs Ranch Idaho") (collectively, the "Constituent Entities").

WITNESSETH :

WHEREAS, each of the Constituent Entities has, subject to approval by their respective general partners, adopted the plan of merger set forth in this Agreement, and the Constituent Entities and their respective general partners deem it advisable and in the best interest of each of the Constituent Entities that Loving Springs Ranch Washington be merged with and into Loving Springs Ranch Idaho (the "Merger").

NOW, THEREFORE, the Constituent Entities do hereby agree to merge on the terms and conditions herein provided as follows:

1. MERGER.

(a) **GOVERNING LAW.** Loving Springs Ranch Washington will be merged into Loving Springs Ranch Idaho in accordance with the applicable laws of the State of Idaho. Loving Springs Ranch Idaho shall be the surviving entity (the "Surviving Entity") and shall be governed by the laws of the State of Idaho.

(b) **EFFECTIVE DATE.** The "Effective Date" of the Merger shall be, and such term as used herein shall mean, 5:00 p.m., Mountain Time, of the later of September 1, 2014, or the day on which the Articles of Merger are filed with both the Washington Secretary of State and the Idaho Secretary of State.

2. **PARTNER INTEREST CONVERSION.** On the Effective Date, the partner interests in Loving Springs Ranch Washington held immediately prior to the merger shall be exchanged into and become an equal interest in Loving Springs Ranch Idaho.

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### **3. EFFECT OF THE MERGER.**

(a) **RIGHTS, PRIVILEGES AND OBLIGATIONS.** On the Effective Date, the Surviving Entity, without further act, deed or other transfer, shall retain or succeed to, as the case may be, and possess and be vested with all of the rights, privileges, immunities, powers, franchises and authority, of a public as well as of a private nature, of the Constituent Entities; all property of every description and every interest therein and all debts and other obligations of or belonging to or due to the Constituent Entities on whatever account shall thereafter be taken and deemed to be held by or transferred to, as the case may be, or vested in the Surviving Entity without further act or deed; title to any real estate, or any interest therein, vested in the Constituent Entities shall not revert or in any way be impaired by reason of the Merger; and all of the rights of creditors of the Constituent Entities shall be preserved unimpaired, and all liens upon the property of the Constituent Entities shall be preserved unimpaired, and all debts, liabilities, obligations and duties of the Constituent Entities shall thenceforth remain with or attach to, as the case may be, the Surviving Entity and may be enforced against the Surviving Entity to the same extent as if all of said debts, liabilities, obligations and duties had been incurred or contracted by it.

(b) **FURTHER ACTION.** From time to time, as and when requested by the Surviving Entity, or by its successors or assigns, any party hereto shall execute and deliver or cause to be executed and delivered all such deeds and other instruments, and shall take or cause to be taken all such further or other actions, as the Surviving Entity, or its successors or assigns, may deem necessary or desirable in order to vest in or confirm to the Surviving Entity and its successors or assigns, title to and possession of all the property, rights, privileges, powers and franchises referred to herein and otherwise to carry out the intent and purposes of this Agreement.

### **4. TERMINATION; AMENDMENT.**

(a) **TERMINATION PROVISION.** Anything contained in this Agreement to the contrary notwithstanding, this Agreement may be terminated and the Merger abandoned upon written notice at any time prior to the Effective Date:

(i) by mutual consent of the Constituent Entities; or


(ii) if there exists a suit, action or other proceeding commenced, pending or threatened, before any court or other governmental agency of the federal or state government, in which it is sought to restrain, prohibit or otherwise adversely affect the consummation of the Merger.

(b) **AMENDMENT PROVISIONS.** Anything contained in this Agreement notwithstanding, this Agreement may be amended or modified in writing at any time prior to the Effective Date, provided that an amendment made subsequent to the adoption of this Agreement by the general partners of the Constituent Entities shall not (i) alter or change the amount or kind of shares, securities, cash, property and/or rights to be received in exchange for or on conversion of all or any of the interests thereof of the Constituent Entities, (ii) alter or change any term of the

partnership agreement of the Surviving Entity to be effected by the Merger, or (iii) alter or change any of the terms and conditions of this Agreement if such alteration or change would adversely affect the holders of any interest thereof of the Constituent Entities. Subject to the immediately foregoing sentence, the Constituent Entities may by agreement in writing extend the time for performance of, or waive compliance with, the conditions or agreements set forth herein.

IN WITNESS WHEREOF, this Agreement, having first been duly approved by the partners of each of the Constituent Entities, is hereby executed on behalf of each of the Constituent Entities by their respective general partners thereunto duly authorized.

Loving Springs Ranch, L.P.,  
A Washington Limited Partnership  
By its General Partner  
GLS, LLC, an Idaho limited liability company

By:   
Brett D. Bashaw, Manager

Loving Springs Ranch LP,  
An Idaho Limited Partnership  
By its General Partner  
GLS, LLC, an Idaho limited liability company

By:   
Brett D. Bashaw, Manager