

526600

STATEMENT OF THE ESTABLISHMENT OF A SERIES OF
NONCUMULATIVE PREFERRED STOCK

MAR 6 3 59 PM '90

- A. The name of the corporation is L. B. Industries, Inc. SECRETARY OF STATE
- B. A copy of the resolution establishing and designating the series, and fixing and determining the relative rights and preferences thereof is attached hereto and by this reference incorporated herein as Exhibit A.
- C. The resolution which is attached hereto as Exhibit A was adopted effective February 21, 1990.
- D. The resolution which is attached hereto as Exhibit A was duly adopted by unanimous consent of the Board of Directors and as of this date is in full force and effect.

MAR 8 3 28 PM '90
SECRETARY OF STATE

DATED this 2nd day of March, 1990.

L. B. INDUSTRIES, INC.

By: Joe A. Davis
Title: Vice President/Treasurer

ATTEST:

(Corporate Seal)

By: Christy D. Clark
Title: Secretary

State of Idaho }
County of Ada } ss.

I, Vicki Jo Ann Waters, a notary public, do hereby certify that on this 2nd day of March, 1990, personally appeared before me Joe D. Davis and Christopher W. Clark who, being by me first duly sworn, declared that they are the Vice President/Treasurer and the Secretary of the corporation, respectively, that they signed the foregoing document on behalf of said corporation, and that the statements therein contained are true.

Vicki Jo Ann Waters
NOTARY PUBLIC

Residing at: Boise, Idaho

Commission Expires: 9-28-95

**ACTION BY CONSENT
OF THE
BOARD OF DIRECTORS
OF L. B. INDUSTRIES, INC.**

PURSUANT to Idaho Code Section 30-1-44, the undersigned constituting all of the directors of L. B. Industries, Inc., hereby consent to the adoption of the following resolution, effective February 21, 1990, with the same effect as if adopted at a meeting of the directors duly called, noticed and held at which a quorum was present and acting throughout:

WHEREAS, the Board of Directors and the Shareholders of L. B. Industries, Inc. have previously determined that it is advantageous for the corporation to authorize the issuance of a class of Noncumulative Preferred Stock; and

WHEREAS, the Restated Articles of Incorporation were amended, as of February 20, 1990, pursuant to a February 12, 1990 consent resolution by all holders of outstanding shares of capital stock, to permit the issuance of up to one million (1,000,000) shares of nonvoting, no par value Noncumulative Preferred Stock in series with the Board of Directors having the power to establish the relative rights and preferences of each particular series of Noncumulative Preferred Stock.

NOW, LET IT BE RESOLVED, that the Board of Directors of L. B. Industries, Inc. does hereby authorize the issuance of five hundred thousand (500,000) shares of nonvoting, no par value Series 1 Noncumulative Preferred Stock which shall have the following characteristics, relative rights and preferences:

1. A dividend right which is preferential to Common Stock but deferential to Cumulative Preferred Stock.
2. A cash dividend right which is preferential to common stock but deferential to Cumulative Preferred Stock.
3. A noncumulative right to the payment of dividends at the rate of \$2.00 per share per annum and no more. This cash dividend may be declared and paid in lump sum or ratably on a semi-annual or quarterly basis as determined annually at the discretion of the Board of Directors.
4. Series 1 Noncumulative Preferred Stock shall have no right to payment of that portion of the preferential annual cash dividend which has not been declared as of the date of voluntary or involuntary liquidation, dissolution or wind up, however, upon liquidation, dissolution or wind up, Series 1 Noncumulative Preferred shall participate on a prorata basis, share for share, with Common Stock in any remaining assets of the corporation.
5. No sinking fund provision shall be provided for the redemption or purchase of shares.
6. No provision allowing for the conversion of shares at the election of the shareholder.
7. Authorized number of shares: 500,000

NOW, LET IT BE FURTHER RESOLVED, that prior to the issuance of any shares of Series 1 Noncumulative Preferred Stock, that the officers of the corporation shall see to it that a statement of the establishment of a series of preferred stock be submitted for filing in the Office of the Secretary of State for the State of Idaho in accordance with the provisions of Idaho Code Section 30-1-16. Upon approval of the establishment of said series of stock by the Idaho Secretary of State, the officers of the corporation, who are empowered under the Idaho Corporation Act to issue shares of stock on behalf of the corporation, shall then proceed to issue said shares as appropriate.


LARRY B. BARNES

Date: 2/27/90


JON L. BARNES

Date: 28 Feb. 90


JOE D. DAVIS

Date: 2/21/90

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(Constituting all of the directors of L. B. Industries, Inc.)