

ARTICLES OF MERGER

FILED

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MERRYWOOD NEIGHBORHOOD ASSOCIATION, INC.

SECRETARY OF STATE
STATE OF IDAHO

Agreement made March 19, 1998, between Merrywood Neighborhood Association, Inc., a corporation organized and existing under the laws of the State of Idaho, having its principal office at 1480 Hartman Park, County of Ada, State of Idaho, and Merrywood Neighborhood Association No. Two, Inc., a corporation organized and existing under the laws of the State of Idaho, having its principal office and place of business at 1480 Hartman Park, County of Ada, State of Idaho.

RECITALS

The Board of Directors, officers and members of Merrywood Neighborhood Association, Inc. and the members of Merrywood Neighborhood Association No. Two, Inc. deem it desirable and in the best interest of the corporations and their respective members that Merrywood Neighborhood Association No. Two, Inc. be merged into Merrywood Neighborhood Association, Inc.

For the reasons set forth above, and in consideration of the mutual covenants and promises of the parties hereto, the constituent corporations agree, pursuant to I.C. § 30-1-1101 *et seq.*, that Merrywood Neighborhood Association No. Two, Inc. shall be merged into Merrywood Neighborhood Association, Inc. as a single corporation; and the parties agree to and prescribe the terms and conditions of such merger, the method of carrying it into effect, and the manner of converting the membership in Merrywood Neighborhood Association No. Two, Inc. into membership in Merrywood Neighborhood Association, Inc., as hereinafter set forth and as set forth on the Plan of Merger submitted herewith.

SECTION ONE MERRYWOOD NEIGHBORHOOD ASSOCIATION, INC. TO BE SURVIVING CORPORATION

Merrywood Neighborhood Association No. Two, Inc. shall be merged into Merrywood Neighborhood Association, Inc. and the existence of Merrywood Neighborhood Association No. Two, Inc. shall cease and the corporate existence of Merrywood Neighborhood Association, Inc. shall continue under the name Merrywood Neighborhood Association, Inc. and Merrywood Neighborhood Association, Inc. shall become the owner, without other transfer, of all the rights and property of the constituent corporations, and Merrywood Neighborhood Association, Inc. shall become subject to all the debts and liabilities of the constituent corporations in the same manner as if Merrywood Neighborhood Association, Inc. had itself incurred them.

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SECTION TWO PRINCIPAL OFFICE

The principal office of Merrywood Neighborhood Association, Inc. shall not remain the principal office of the corporation following this merger, rather the principal office of the Merrywood Neighborhood Association, Inc. shall be 201 West State Street, Boise, Idaho 83702.

SECTION THREE OBJECTS AND PURPOSES

The nature of the business and the objects and purposes proposed to be transacted, promoted, and carried on by the corporation following the merger, are as follows: to provide for the ownership, management, maintenance, and operation of the homeowners association of Merrywood Subdivision and Merrywood Subdivision No. Two, according to the official plats thereof filed, or to be filed, in the office of the County Recorder of Ada County, Idaho in conformity with the requirements of the Amended Declaration of Covenants, Conditions and Restrictions for Merrywood Neighborhood Association, Inc. and Merrywood Neighborhood Association No. Two, Inc.

SECTION FOUR ARTICLES OF INCORPORATION

The articles of incorporation of Merrywood Neighborhood Association, Inc., as amended, shall on the effective date of the merger be amended to read as set forth in Exhibit 1 hereto.

SECTION FIVE BYLAWS

The present bylaws of Merrywood Neighborhood Association, Inc., insofar as not inconsistent with these Articles of Merger, shall be the bylaws of the corporation following the merger until altered, amended, or repeated as therein provided.

SECTION SIX NAMES AND ADDRESSES OF DIRECTORS

The names and addresses of the persons who shall constitute the board of directors of Merrywood Neighborhood Association, Inc., following merger, and who shall hold office until the first annual meeting of the shareholders of Merrywood Neighborhood Association, Inc. following merger, are as follows: Kimery Decker, Gretchen Decker, Jon Forst, and Richard Lossness.

SECTION SEVEN METHOD OF CONVERTING SHARES

Immediately upon these Articles of Merger becoming effective, each share of constituent

corporations shall, without any other action on the part of the respective holders thereof, become and be converted into a share of Merrywood Neighborhood Association, Inc.

SECTION EIGHT EXTRAORDINARY TRANSACTION

Neither corporation shall, prior to the effective date of the merger, engage in any activity or transaction other than in the ordinary course of business, except as contemplated by these articles.

SECTION NINE SUBMISSION TO STOCKHOLDERS; EFFECTIVE DATE

There are fifty-four (54) outstanding shares of Merrywood Neighborhood Association, Inc., thirty-six (36) of which voted for the merger. Three (3) outstanding shares of Merrywood Neighborhood Association, Inc. voted against the merger. There are fifty-eight (58) outstanding shares of Merrywood Neighborhood Association No. Two, Inc., thirty-eight (38) of which voted for the merger. Three (3) outstanding shares of Merrywood Neighborhood Association No. Two, Inc., voted against the merger. This matter has been submitted to the stockholders/members of the constituent corporations, and a majority of the votes of the stockholders/members of each such corporation were in favor of the adoption of this agreement. Thus, these Articles of Merger shall take effect on the date on which it is filed in the office of the Secretary of the State of Idaho.

SECTION TEN ABANDONMENT OF MERGER

Anything to the contrary herein notwithstanding, if the board of directors of Merrywood Neighborhood Association, Inc., or the board of directors of Merrywood Neighborhood Association No. Two, Inc., should determine that for any legal, financial, economic, or business reason deemed sufficient by such board it is not in the interest of the corporation it represents, or the stockholders/members of such corporation, or is otherwise inadvisable or impracticable to consummate the merger, such board of directors may abandon the merger by directing the officers of the corporation to refrain from executing or filing this agreement of merger, and thereupon this agreement shall be void and of no effect.

In witness whereof, the officers, of Merrywood Neighborhood Association, Inc., and the officers of Merrywood Neighborhood Association No. Two, Inc., have executed these Articles.

Merrywood Neighborhood Association, Inc.

By Mary L. Decker
Its Treasurer

By Gretchen Decker
Its Secretary

Merrywood Neighborhood Association No.
Two, Inc.

By Robert J. Decker
Its President

By Robert J. Decker
Its V. Pres

PLAN OF MERGER

MERRYWOOD NEIGHBORHOOD ASSOCIATION, INC.

MERRYWOOD NEIGHBORHOOD ASSOCIATION NO. TWO, INC

The Board of Directors of Merrywood Neighborhood Association, Inc and the Board of Directors of Merrywood Neighborhood Association No. Two, Inc. hereby adopt the following Plan of Merger:

1. It is the determination of the Board of Directors for each of the aforementioned corporations that there is duplication of effort and expense by having separate management of the corporations. The homeowners associations involved in the two corporations are located adjacent to each other with both neighborhoods using common streets and common resources and having common standards and goals.
2. To avoid such unnecessary duplication, the Board of Directors for each of the corporations hereby conclude that it would be in the best interests of the shareholders of each corporation for the corporations to merge and manage the affairs of the corporations and homeowners associations as one.
3. Thus, under this plan of merger, Merrywood Neighborhood Association No. Two, Inc. will merge completely into Merrywood Neighborhood Association, Inc, and the resulting corporation, Merrywood Neighborhood Association, Inc. will conduct the business of both corporations. Said merger shall be effective upon the filing of the Articles of Merger, which filing shall take place upon the approval by the shareholders.
4. Upon approval and filing of the Articles of Merger, the resulting corporation, Merrywood Neighborhood Association, Inc., shall exchange shares of said resulting corporation for the shares of the predecessor corporations on a one-for-one basis. No further action by the members of the corporations is required.
5. This Plan of Merger adopts any and all other terms and conditions set forth in the Articles of Merger of even date herewith.

IDAHO SECRETARY OF STATE

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This Plan of Merger is adopted this 19th day of March, 1998 by the Boards of Directors as follows:

Directors of the Merrywood Neighborhood Association, Inc.

Gretchen Decker
Secretary
Kerry L. Decker
Treasurer

Directors of the Merrywood Neighborhood Association No. Two, Inc.

Don Fort
President
John L. Fort
V. Pres

Approved by majority vote of shareholders of Merrywood Neighborhood Association, Inc. by a vote of 36 in favor to 3 against. Approved by a majority vote of the shareholders of Merrywood Neighborhood Association No. Two, Inc. by a vote of 39 in favor to 3 against.