

FILED/EFFECTIVE

**ARTICLES OF MERGER
of
SINGAPORE SLINGS, INC.
into
JAKE'S OF TWIN FALLS, INC.**

00 DEC 30 PM 3: 39

STATE OF IDAHO

Pursuant to the provisions of the Idaho Business Corporations Act, Jake's of Twin Falls, Inc., an Idaho corporation ("**Jake's**"), the surviving corporation of the merger of Singapore Slings, Inc., a Montana corporation ("**Singapore Slings**") with and into Jake's (the "**Merger**"), hereby files these Articles of Merger with the Secretary of State of the State of Idaho.

1. Plan of Merger. The plan of merger of Singapore Slings with and into Jake's (the "**Plan of Merger**") is set forth as Exhibit A to these Articles of Merger.

2. Shareholder Approval.

2.1 Singapore Slings. Approval of the Plan of Merger was required by the shareholders of Singapore Slings.

(a) 800 shares of common stock were outstanding and entitled to vote on the Plan of Merger, with one vote per share.

(b) 800 shares of common stock voted for the Plan of Merger, and no shares of common stock voted against the Plan of Merger.

2.2 Jake's. Approval of the Plan of Merger was required by the shareholders of Jake's.

(a) 800 shares of common stock were outstanding and entitled to vote on the Plan of Merger, with one vote per share.

(b) 800 shares of common stock voted for the Plan of Merger, and no shares of common stock voted against the Plan of Merger.

3. Contact. The person to contact about this filing is:

Kris Ormseth
Stoel Rives LLP
101 South Capitol Blvd., Suite 1900
Boise, Idaho 83702
(208) 389-9000

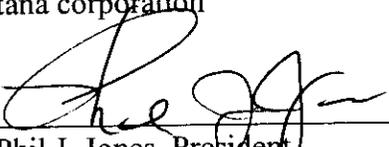
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CX: 382016 CT: 7012 BH: 653968
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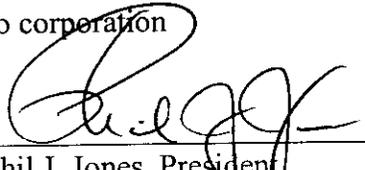
4. **Effective Date.** The Merger shall be effective at 12:01 a.m. on January 1, 2003.

IN WITNESS WHEREOF, the undersigned have executed these Articles of Merger as of this ____ day of December, 2002.

SINGAPORE SLINGS, INC.,
a Montana corporation

By: 
Phil J. Jones, President

JAKE'S OF TWIN FALLS, INC.,
an Idaho corporation

By: 
Phil J. Jones, President

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger ("**Agreement**"), dated as of December 23, 2002, is between Singapore Slings, Inc. ("**Singapore Slings**"), a Montana corporation, and Jake's of Twin Falls, Inc. ("**Jake's**"), an Idaho corporation.

Recitals

- A. Jake's and Singapore Slings are each engaged in a restaurant business in Twin Falls, Idaho.
- B. The parties desire to effect a merger pursuant to the provisions of the Idaho Business Corporation Act (the "**Idaho Act**") and the Montana Business Corporation Act (the "**Montana Act**") on the terms set forth in this Agreement.
- C. Singapore Slings and Jake's are sometimes referred to collectively in this Agreement as the "**Constituent Corporations**", and Jake's is sometimes referred to in this Agreement as the "**Surviving Corporation**".
- D. The Constituent Corporations intend the merger to be a reorganization within the meaning of IRC §368(a)(1)(A).

The parties agree as follows:

Agreement

1. Merger of the Constituent Corporations.

1.1 Merger. At the Effective Time (as defined in Section 1.3), Singapore Slings shall be merged with and into Jake's, the separate existence of Singapore Slings shall cease, and Jake's shall survive as a corporation under the name Jake's of Twin Falls, Inc. (the "**Surviving Corporation**"), organized under and governed by the laws of the State of Idaho. From that time, the Surviving Corporation, to the extent consistent with its articles of incorporation, shall possess all the rights, privileges, immunities, and franchises of each of the Constituent Corporations; all property belonging to Singapore Slings shall be transferred to and vested in the Surviving Corporation without further act or deed; and the Surviving Corporation shall be responsible for all liabilities of each of the Constituent Corporations; all in the manner and with the effect set forth in the Idaho Act and the Montana Act.

1.2 Further Assurances. From time to time after the Effective Time, the officers and directors of Singapore Slings last in office shall execute and deliver such deeds and other instruments and shall cause to be taken such further actions as shall reasonably be necessary in order to vest or perfect in the Surviving Corporation title to and possession of all the property, interests, assets, rights, immunities, and franchises of Singapore Slings.

perfect in the Surviving Corporation title to and possession of all the property, interests, assets, rights, immunities, and franchises of Singapore Slings.

1.3 Effective Time. The merger of Singapore Slings and Jake's shall become effective at 12:01 a.m. on January 1, 2003 (the "**Effective Time**").

1.4 Covenants of Surviving Corporation. Jake's hereby (a) appoints the Secretary of State of the State of Montana to serve as its agent for service of process in a proceeding to enforce any obligation or the rights of dissenting shareholders of Singapore Slings, and (b) agrees to promptly pay to the dissenting shareholders of Singapore Slings, if any, the amount, if any, to which they are entitled under MCA §§ 35-1-826 through 35-1-839.

2. Articles of Incorporation, Bylaws, Directors, and Officers. At the Effective Time:

2.1 Articles of Incorporation.

(a) For the purpose of increasing the number of authorized shares of capital stock of Jake's from 1,000 to 50,000, Article IV of the Articles of Incorporation of Jake's is hereby deleted and replaced in its entirety with the following:

**Article IV.
Authorized shares.**

The Corporation is authorized to issue 50,000 shares of Common Stock.

(b) Except as so amended, the Articles of Incorporation of Jake's in effect immediately prior to the Effective Time shall be the Articles of Incorporation of the Surviving Corporation until amended in accordance with applicable law.

2.2 Bylaws. The bylaws of Jake's in effect immediately prior to the Effective Time shall be the bylaws of the Surviving Corporation until amended or repealed.

2.3 Directors and Officers. The board of directors of the Surviving Corporation shall consist of persons who are the board of directors of Jake's immediately prior to the Effective Time, and they shall hold office in each case until their successors are elected and qualify. The officers of the Surviving Corporation shall be persons who are the officers of Jake's immediately prior to the Effective Time, and they shall hold office in each case at the pleasure of the board of directors of the Surviving Corporation.

3. Conversion.

3.1 Conversion. At the Effective Time, each share of Singapore Slings common stock then outstanding and all rights in respect thereof shall be converted into, and become exchanged for

one (1.0) (the “**Conversion Ratio**”) share of common stock of the Surviving Corporation, rounded to the nearest whole share. Each share of common stock of Jake’s that is issued and outstanding immediately prior to the Effective Time shall continue to be an issued and outstanding share of common stock of the Surviving Corporation.

3.2 Adjustments. If, between the date of this Agreement and the Effective Time, Singapore Slings or Jake’s shall reclassify, combine, or subdivide its common stock, or declare or pay any dividend or distribution in shares of its common stock, or shall agree to do any of the foregoing as of a record date prior to the Effective Time, then an appropriate adjustment shall be made in the number of shares of common stock of the Surviving Corporation into which shares of common stock of Singapore Slings would otherwise be converted by the merger.

3.3 Certificates for Shares. Each certificate that, prior to the Effective Time, represented shares of common stock of Jake’s, from and after the Effective Time, shall continue to represent shares of common stock of the Surviving Corporation as set forth in Section 3.1. Each certificate that, prior to the Effective Time, represented shares of common stock of Singapore Slings, from and after the Effective Time, shall be cancelled and shall no longer represent shares of Singapore Slings or of Jake’s. Each such certificate must be tendered to the Surviving Corporation on or before the closing. Promptly after the Effective Time, a certificate shall be issued by the Surviving Corporation in the name of each holder of shares of common stock of Singapore Slings that are converted in the merger into shares of common stock of the Surviving Corporation, evidencing the ownership of shares of the Surviving Corporation into which such shares of common stock of Singapore Slings are converted at the Effective Time.

4. Representations and Warranties of Singapore Slings. Singapore Slings represents and warrants to Jake’s that:

4.1 Corporate Existence. Singapore Slings is duly organized, validly existing, and in good standing under the laws of the State of Montana, with the corporate power and authority to own and operate its business as presently conducted.

4.2 Authorization. Singapore Slings has the corporate power and authority to enter into this Agreement and carry out its terms. This Agreement has been approved by the Board of Directors and shareholders of Singapore Slings. Singapore Slings has taken all corporate action necessary to execute, deliver and perform this Agreement. This Agreement has been duly and validly executed and delivered by Singapore Slings and is binding upon and enforceable against Singapore Slings in accordance with its terms, except as enforceability may be limited or affected by applicable bankruptcy, insolvency, reorganization, or other laws of general application relating to or affecting the rights of creditors and except as enforceability may be limited by principles of equity governing specific performance, injunctive relief, or other equitable remedies.

4.3 Capitalization. The authorized capital stock of Singapore Slings consists of 50,000 shares of common stock, of which 800 shares are issued and outstanding as of the date hereof. All of

the issued and outstanding shares of Singapore Slings common stock have been duly authorized and validly issued and are fully paid and nonassessable. There are no contracts relating to the issuance, sale, or transfer of any equity security or other security of Singapore Slings. There are no outstanding subscriptions, options, warrants, rights, convertible securities or other agreements or commitments of Singapore Slings of any nature. None of the shares of Singapore Slings common stock were issued in violation of any state or federal securities law or any other legal requirement.

4.4 Financial Statements. Singapore Slings has delivered to Jake's a list of capital contributions by shareholders and a list of fixed asset purchases (collectively the "**Singapore Slings Financial Statements**"). The Singapore Slings Financial Statements have been prepared on a consistent basis in accordance with Singapore Slings' past practice and present fairly and accurately in all material respects the financial position of Singapore Slings as of the dates indicated and the results of operations for the periods then ended.

4.5 Undisclosed Liabilities. Except for liabilities that have been disclosed to the Board of Directors of Jake's, Singapore Slings is not subject to any liability or obligation, singly or in the aggregate, in excess of \$10,000, whether absolute, contingent, known, or unknown.

5. Representations and Warranties of Jake's. Jake's represents and warrants to Singapore Slings that:

5.1 Corporate Existence. Jake's is duly organized, validly existing, and in good standing under the laws of the State of Idaho, with the corporate power and authority to own and operate its business as presently conducted.

5.2 Authorization. Jake's has the corporate power and authority to enter into this Agreement and carry out its terms. This Agreement has been approved by the Board of Directors and shareholders of Jake's. Jake's has taken all corporate action necessary to execute, deliver and perform this Agreement. This Agreement has been duly and validly executed and delivered by Jake's and is binding upon and enforceable against Jake's in accordance with its terms, except as enforceability may be limited or affected by applicable bankruptcy, insolvency, reorganization, or other laws of general application relating to or affecting the rights of creditors and except as enforceability may be limited by principles of equity governing specific performance, injunctive relief, or other equitable remedies.

5.3 Capitalization. The authorized capital stock of Jake's consists of 1,000 shares of common stock, of which 800 shares are issued and outstanding as of the date hereof. All of the issued and outstanding shares of Jake's common stock have been duly authorized and validly issued and are fully paid and nonassessable. There are no contracts relating to the issuance, sale, or transfer of any equity security or other security of Jake's. There are no outstanding subscriptions, options, warrants, rights, convertible securities or other agreements or commitments of Jake's of any nature. None of the shares of Jake's common stock were issued in violation of any state or federal securities law or any other legal requirement.

5.4 Financial Statements. Jake's has delivered to Singapore Slings a balance sheet ("**Current Balance Sheet**") as of November 3, 2002 (the "**Balance Sheet Date**") and an income statement for the period then ending (collectively the "**Jake's Financial Statements**"). The Jake's Financial Statements have been prepared on a consistent basis in accordance with Jake's past practice and present fairly and accurately in all material respects the financial position of Jake's as of the dates indicated and the results of operations for the periods then ended.

5.5 Undisclosed Liabilities. Except for those liabilities and obligations reflected on the Current Balance Sheet, liabilities that are not required to be reflected on such financial statements under generally accepted accounting principles, and liabilities that have been disclosed to the Board of Directors of Singapore Slings, Jake's is not subject to any liability or obligation, singly or in the aggregate, in excess of \$10,000, whether absolute, contingent, known, or unknown.

6. Conditions.

6.1 Conditions to Obligation of Singapore Slings. The obligation of Singapore Slings to effect the merger is subject to the satisfaction or waiver of each of the following conditions:

(a) The representations and warranties of Jake's set forth in Section 5 of this Agreement shall be true and correct at the Effective Time as though made on and as of the Effective Time, and all obligations and covenants of Jake's required under this Agreement to be performed prior to the Effective Time shall have been performed.

(b) There shall not have been any material adverse change in the business or financial condition of Jake's from the date hereof through the Effective Time.

6.2 Conditions to Obligation of Jake's. The obligation of Jake's to effect the merger is subject to the satisfaction or waiver of each of the following conditions:

(a) The representations and warranties of Singapore Slings set forth in Section 4 above shall be true and correct at the Effective Time as though made on and as of the Effective Time, and all obligations and covenants of Singapore Slings required under this Agreement to be performed prior to the Effective Time shall have been performed.

(b) There shall not have been any material adverse change in the business or financial condition of Singapore Slings from the date hereof through the Effective Time.

7. Termination.

7.1 Termination. This Agreement may be terminated and the merger abandoned at any time prior to the Effective Time, whether before or after submission to or approval by the shareholders of either of the Constituent Corporations:

(a) By mutual agreement of the boards of directors of Singapore Slings and Jake's;

(b) By the board of directors of Singapore Slings if any condition provided in Section 6.1 has not been satisfied or waived on or before the Effective Time;

(c) By the board of directors of Jake's if any condition provided in Section 6.2 of this Agreement has not been satisfied or waived on or before the Effective Time; or

(d) By the board of directors of either Singapore Slings or Jake's if the Effective Time shall not have occurred on or prior to February 1, 2003 other than by reason of default by the terminating party.

7.2 Effect of Termination. In the event of termination of this Agreement as provided in this Section, this Agreement shall become wholly void and of no effect, each party shall bear its own expenses, and, except for liability of a party when default by such party has occasioned the termination of this Agreement by the nondefaulting party, there shall be no liability or obligation on the part of either party.

8. Miscellaneous Provisions.

8.1 Waivers. Each party, by written instrument, may extend the time for performance of any of the obligations or other acts of the other party, waive any inaccuracies of the representations and warranties of the other party, waive compliance with any of the covenants of the other party, or waive performance of any of the obligations or conditions of the other party set forth in this Agreement.

8.2 Amendment. This Agreement may be amended at any time prior to the Effective Time, whether before or after the meetings of the shareholders of the respective Constituent Corporations with approval of the respective boards of directors of the Constituent Corporations.

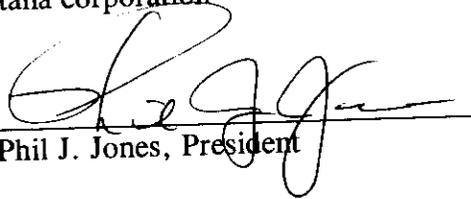
8.3 Expenses. Each Party shall pay the expenses incurred by it in connection with the transactions contemplated hereby.

8.4 Counterparts; Facsimile. This Agreement may be executed in any number of counterparts, and/or by facsimile, and each such counterpart and/or facsimile shall be deemed to be an original instrument, and all such counterparts and/or facsimile shall together constitute the same agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officers of the parties hereto as of the date written above.

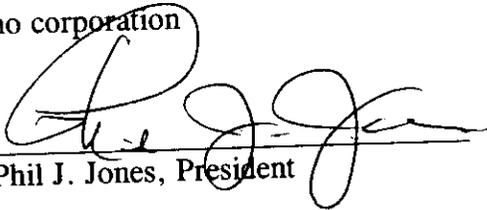
SINGAPORE SLINGS, INC.,
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By: _____


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