

**ARTICLES OF MERGER  
OF  
KACHINA FOREST PRODUCTS HOLDING, INC.  
AN IDAHO CORPORATION,  
INTO  
KACHINA FOREST PRODUCTS HOLDING, INC.,  
A NEVADA CORPORATION**

**FILED**

**MAY 29 3 40 PM '98**

**SECRETARY OF STATE**

**IN ACCORDANCE WITH IDAHO CODE § 30-1-1105 AND  
NEVADA REVISED STATUTES § 78-458**

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The undersigned KEITH A. WATSON, being the President of each of KACHINA FOREST PRODUCTS HOLDING, INC., an Idaho corporation ("KACHINA IDAHO") and KACHINA FOREST PRODUCTS HOLDING, INC., a Nevada corporation ("KACHINA NEVADA"), does hereby certify as follows:

1. The plan of merger providing for the merger of KACHINA IDAHO into KACHINA NEVADA is set forth in the Agreement and Plan of Merger attached hereto as Exhibit A and incorporated herein by this reference.

2. As to each corporation, the plan of merger was adopted by a consent in writing of the board of directors and holders of outstanding shares having not less than the minimum number of votes necessary to adopt such plan, as provided by the articles of incorporation of the respective corporations, Idaho Code § 30-1-1103 and Nevada Revised Statutes § 78-458.

3. As to each corporation, the number of shares outstanding on the day hereof is as follows:

NAME OF CORPORATION:	NO. OF SHARES:	CLASS:
KACHINA IDAHO	500	Common stock
KACHINA NEVADA	500	Common stock

4. As to each corporation, the number of shares voted for and against such Plan of Merger is as follows:

NAME OF CORPORATION:	VOTED FOR:	IDAHO SECRETARY OF STATE: VOTED AGAINST:
KACHINA IDAHO	500	<b>05/29/1998 09:00</b>
KACHINA IDAHO	500	<b>CK: 3222 CT: 445310 BH: 114889</b>

**1 @ 30.00 = 30.00 MERGER**

**C118439**

IN WITNESS WHEREOF, the parties hereto have caused these Articles of Merger to be duly executed effective as of the twenty-ninth day of May, 1998.

KACHINA FOREST PRODUCTS HOLDING, INC.  
An Idaho Corporation

By: 

KEITH A. WATSON, President

KACHINA FOREST PRODUCTS HOLDING, INC.  
A Nevada Corporation

By: 

KEITH A. WATSON, President

Exhibit A

**AGREEMENT AND PLAN OF MERGER**  
**OF**  
**KACHINA FOREST PRODUCTS HOLDING, INC.**  
**AN IDAHO CORPORATION**  
**AND**  
**KACHINA FOREST PRODUCTS HOLDING, INC.**  
**A NEVADA CORPORATION**

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THIS AGREEMENT AND PLAN OF MERGER is made and entered into the twenty-ninth day of May, 1998, by and between KACHINA FOREST PRODUCTS HOLDING, INC., an Idaho corporation ("KACHINA IDAHO"), and KACHINA FOREST PRODUCTS HOLDING, INC., a Nevada corporation ("KACHINA NEVADA"), (collectively, the "Constituent Corporations").

**WITNESSETH**

WHEREAS, each of the Constituent Corporations has, subject to approval by their respective shareholders and directors, adopted the plan of merger set forth in this Agreement, and the Constituent Corporations and their respective boards of directors deem it advisable and in the best interest of each of the Constituent Corporations that KACHINA IDAHO merged with and into KACHINA NEVADA pursuant to the applicable laws of the State of Idaho, State of Nevada and Section 368 of the Internal Revenue Code of 1986 (the "Merger");

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

**1. MERGER.**

(a) **GOVERNING LAW.** KACHINA IDAHO will be merged into KACHINA NEVADA in accordance with the applicable laws of the State of Idaho and the State of Nevada. KACHINA NEVADA shall be the surviving corporation (the "SURVIVING CORPORATION") and shall be governed by the laws of the State of Nevada.

(b) **EFFECTIVE DATE.** The "Effective Date" of the Merger shall be, and such term as used herein shall mean, the later of June 1, 1998, or the issuance of a Certificate of Merger by the Nevada Secretary of State.

**2. SHARES OF KACHINA IDAHO.** On the Effective Date, each share of common stock of KACHINA IDAHO issued and outstanding immediately prior to the merger shall be converted into shares of KACHINA NEVADA; provided, however, that because the Shareholders of the Constituent Corporations own the identical percentage of shares in each of the Constituent Corporations, no

further shares of KACHINA NEVADA shall be issued to the Shareholders in consideration of the cancellation of their KACHINA IDAHO shares.

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

(a) **RIGHTS, PRIVILEGES AND OBLIGATIONS.** On the Effective Date, the Surviving Corporation, 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 Corporations; all property of every description and every interest therein and all debts and other obligations of or belonging to or due to the Constituent Corporations 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 corporation without further act or deed; title to any real estate, or any interest therein, vested in the Constituent Corporations shall not revert or in any way be impaired by reason of the Merger; and all of the rights of creditors of the Constituent Corporations shall be preserved unimpaired, and all liens upon the property of the Constituent Corporations shall be preserved unimpaired, and all debts, liabilities, obligations and duties of the Constituent Corporations shall thenceforth remain with or attach to, as the case may be, the Surviving corporation and may be enforced against it to the same extent as if all of said debts, liabilities, obligations and duties had been incurred or contracted by it.

(b) **ARTICLES OF INCORPORATION AND BYLAWS.** The Articles of Incorporation and Bylaws of KACHINA NEVADA in effect on the Effective Date shall, from and after the Effective Date, be and continue to be the Articles of Incorporation and Bylaws of the Surviving Corporation unless and until changed as therein provided.

(c) **DIRECTORS AND OFFICERS.** The directors and officers of KACHINA NEVADA shall be the directors and officers of the Surviving Corporation on the Effective Date, and such directors and officers shall serve until they are removed or replaced in accordance with the Articles of Incorporation and Bylaws of KACHINA NEVADA.

(d) **FURTHER ACTION.** From time to time, as and when requested by the Surviving Corporation, 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 Corporation, or its successors or assigns, may deem necessary or desirable in order to vest in or confirm to the Surviving corporation, 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 Corporations;
- (ii) If holders of at least a majority of the outstanding shares of common stock of KACHINA IDAHO shall not have voted in favor of the Merger; or
- (iii) 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 shareholders of the Constituent Corporations 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 shares of any class or series thereof of the Constituent Corporations, (ii) alter or change any term of the Articles of Incorporation of the Surviving Corporation 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 class or series thereof of the Constituent Corporations. Subject to the immediately foregoing sentence, the Constituent Corporations may, by agreement in writing, extend the time for performance of, or waive compliance with, the conditions or agreements set forth herein.

(c) **BOARD ACTION.** In exercising their rights under this Section 4, each of the Constituent Corporations may act by its Board of Directors, and such rights may be so exercised, notwithstanding the prior approval of this Agreement by the shareholders of the Constituent Corporations.

IN WITNESS WHEREOF, this Agreement, having first been duly approved by the consent of the Board of Directors and Shareholders of each of the Constituent Corporations, is hereby executed on behalf of each of the Constituent Corporations by their respective officers thereunto duly authorized.

KACHINA FOREST PRODUCTS HOLDING, INC.  
An Idaho Corporation

By: \_\_\_\_\_  
KEITH A. WATSON, President

KACHINA FOREST PRODUCTS HOLDING, INC.  
A Nevada Corporation

By: \_\_\_\_\_  
KEITH A. WATSON, President