

ARTICLES OF MERGER
OF
REED'S ASSOCIATES, INC.
(The Surviving Corporation)
INTO
SCR NORTHLAND, INC.
(The Merging Corporation)

FILED
JUL 1 2 56 PM '99

SECRETARY OF STATE
STATE OF IDAHO

Pursuant to the provisions of § 30-1-1105 of the Idaho Business Corporation Act, the undersigned corporations adopt the following Articles of Merger for the purpose of merging them into one of such corporations:

FIRST: The following Plan and Agreement of Merger was approved by the shareholders of each of the undersigned corporations in the manner prescribed by the Idaho Business Corporation Act:

The Plan and Agreement of Merger is as stated in - Exhibit "A", attached hereto and incorporated herein.

SECOND: As to each of the undersigned corporations, the number of shares outstanding are as follows:

<u>Name of Corporation</u>	<u>Number of Common Shares Outstanding</u>
REED'S ASSOCIATES, INC.	22,071
SCR NORTHLAND, INC.	6,000

No shares are entitled to vote as a class.

THIRD: As to each of the undersigned corporations, the total number of shares voted for and against such Plan, respectively, are as follows:

<u>Name of Corporation</u>	<u>Total Voted For</u>	<u>Total Voted Against</u>
REED'S ASSOCIATES, INC.	22,071	-0-
SCR NORTHLAND, INC.	6,000	-0-

FOURTH: The Articles of Incorporation of Reed's Associates, Inc. is hereby amended to change the name of Reed's Associates, Inc. to SCR Northland, Inc.

IDAHO SECRETARY OF STATE

07/02/1999 09:00
CK: 78141 CT: 20168 BH: 231000

1 @ 38.00 = 38.00 MERGER # 2

C82415

DATED this 30th day of June, 1999.

REED'S ASSOCIATES, INC.

By 
STEVEN S. REED, President

SCR NORTHLAND, INC.

By 
STEVEN S. REED, President

PLAN AND AGREEMENT OF MERGER
Between
REED'S ASSOCIATES, INC., an Idaho Corporation
(The Surviving Corporation)
and
SCR NORTHLAND, INC., an Idaho Corporation
(The Merging Corporation)

THIS PLAN AND AGREEMENT OF MERGER, effective the 30th day of June, 1999 by and between REED'S ASSOCIATES, INC., an Idaho corporation (hereinafter referred to as the "Surviving Corporation" and sometimes referred to as "REED'S"), and SCR NORTHLAND, INC., an Idaho corporation (hereinafter referred to as the "Merging Corporation" and sometimes referred to as "SCR") which two corporations are hereinafter sometimes referred to as the "Constituent Corporations."

FIRST

Recitals

REED'S is validly organized, existing and in good standing under the laws of the State of Idaho. SCR is validly organized, existing and in good standing under the laws of the State of Idaho.

REED'S has an authorized capital of 100,000 shares of Common Stock with a par value of \$1.00 each, of which on the date of execution of this Agreement, 22,071 shares were issued and outstanding.

SCR has an authorized capital of 25,000 shares of Common Stock with a par value of \$1.00 each, of which on the date of execution of this Agreement 6,000 shares were issued and outstanding.

The Boards of Directors of the Constituent Corporations deem it advisable and in the best interests of their respective corporations and stockholders that SCR merge with and into REED'S in accordance with the provisions of applicable law of the State of Idaho, and have entered into this Agreement of Merger in connection with the merger.

The merger is intended to qualify as an "A" Reorganization under the Internal Revenue Code of 1986, as amended.

SECOND

Agreement of Merger

NOW, THEREFORE, the Constituent Corporations agree, with each other, to merge into a single corporation which shall be the Surviving Corporation, pursuant to the laws of the State of Idaho, and agree upon and prescribe the terms and conditions of the statutory merger, the mode of carrying it into effect and the manner and basis of converting the shares of the Merging Corporation into shares of the Surviving Corporation, as herein set forth.

On the effective date of the merger, the Merging Corporation shall be merged with and into the Surviving Corporation. As a result, the separate existence of the Merging Corporation shall cease and the Constituent Corporations shall become a single corporation. In conjunction with the merger, the name of the Surviving Corporation shall be changed from "Reed's Associates, Inc." to "SCR Northland, Inc."

THIRD

Articles of Incorporation of Surviving Corporation

The Articles of Incorporation of the Surviving Corporation in effect immediately prior to the effective date of the merger shall continue to be the Articles of Incorporation of the Surviving Corporation until amended in accordance with the applicable laws of the State of Idaho; provided, however, that the Articles of Organization shall reflect the new name of the Surviving Corporation, SCR Northland, Inc.

FOURTH

By-Laws of Surviving Corporation

The By-Laws of the Surviving Corporation in effect immediately prior to the effective date of the merger shall continue to be the By-Laws of the Surviving Corporation, until altered or repealed in the manner provided by law and by such By-Laws.

FIFTH

Directors and Officers of Surviving Corporation

The Directors and officers of the Surviving Corporation immediately prior to the effective date of the merger shall continue to be the Directors of the Surviving Corporation and until their respective successors are duly elected and qualified.

SIXTH

Manner and Basis of Conversion of Shares

The treatment of the shares of Surviving Corporation, the manner of converting the shares of the Merging Corporation into shares of common stock of the Surviving Corporation, and the

treatment of outstanding options to purchase shares of the Merging Corporation, if any, shall be as follows:

1. Each share of Common Stock of the Surviving Corporation which is issued and outstanding in the name of the Merging Corporation shall continue to be one fully paid and nonassessable share of the Surviving Corporation's Common Stock with a par value of \$1.00 each, and shall be re-issued to the shareholders of the Merging Corporation so that after the merger, the shareholders of the Merging Corporation will own 100% of the stock of the Surviving Corporation.

2. Every one (1) share of the Merging Corporation's Common Stock which is issued and outstanding immediately prior to the effective date of the merger, shall by virtue of the merger be converted into and become, without action on the part of the holder of such stock, fully paid and nonassessable shares of Common Stock of the Surviving Corporation as set forth above. Each outstanding certificate for Common Stock of the Merging Corporation shall thereupon be deemed for all purposes to evidence ownership of the number of full shares of Common Stock of the Surviving Corporation into which the same shall have been converted as set forth above; provided, however, that until the holder of such certificate shall have surrendered the same for exchange as set forth hereinafter, no dividend payable to holders of record of Common Stock of the Surviving Corporation as of any date subsequent to the effective date of the merger shall be paid to such holder with respect to the Common Stock of the Surviving Corporation represented by such certificate.

However, upon surrender and exchange of such certificate as herein provided, there shall be paid to the record holder of the certificate or certificates of Common Stock of the Surviving Corporation issued in exchange therefor an amount with respect to such share(s) of Common Stock equal to all dividends, without any interest thereon, which shall have been paid or become payable to holders of record of Common Stock of the Surviving Corporation between the effective date of the merger and the date of such exchange.

3. As soon as practicable after the effective date of the merger, each holder of outstanding certificates for Common Stock theretofore issued by the Merging Corporation (except for those certificates representing shares in respect of which the holders shall be pursuing their remedy as dissenting shareholders in accordance with the laws of the State of Idaho and except for those certificates, if any, representing shares held by the Surviving Corporation on the effective date of the merger) shall be entitled, upon surrender of the same by such holder for cancellation, as directed by the Surviving Corporation, to receive new certificates for the number of shares of Common Stock of the Surviving Corporation to which he is entitled.

4. - On the effective date of the merger, any shares of Common Stock of the Merging Corporation which are then held in its treasury, or in the treasury of any subsidiary of the Merging Corporation, shall be canceled and retired without further action, and no shares of Common Stock of the Surviving Corporation shall be issued in respect thereof except as set forth above.

5. The Surviving Corporation agrees that it will promptly pay to the dissenting shareholders, if any, of the Merging Corporation, the amount, if any, to which they shall be entitled under the provisions of the corporation laws of the State of Idaho with respect to the rights of dissenting shareholders.

SEVENTH

Effect of Merger

On the effective date of the merger, the Surviving Corporation shall possess all the rights, privileges, powers, and franchises of public as well as a private nature of each of the Constituent Corporations, and shall become subject to all the restrictions, disabilities and duties of each of the Constituent Corporations and all of the singular rights, privileges, powers

and franchises of each of the Constituent Corporations. All property, real, personal and mixed, and debts due to each of the Constituent Corporations on whatever account, including stock subscriptions as well as other things in action or belonging to each of the Constituent Corporations shall be vested in the Surviving Corporation; and all property, assets, rights, privileges, powers, franchises and immunities, and all and every other interest shall be thereafter as effectually the property of the Surviving Corporation as they were of the respective Constituent Corporations, and the title to any real estate vested by deed or otherwise, in either of the Constituent Corporations, shall not revert or be in any way impaired by reason of the merger; provided, however, that all of the creditors and liens upon any property of either of the Constituent Corporations shall be preserved unimpaired, and all debts, liabilities, obligations and duties of the respective Constituent Corporations shall thenceforth attach to the Surviving Corporation, and may be enforced against it to the same extent as if said debts, liabilities, obligations and duties had been incurred or contracted by it.

If, at any time after the merger becomes effective, it shall appear to the Surviving Corporation that any further assignments or assurances are necessary or desirable to evidence the vesting in the Surviving Corporation of the title to any of the property or rights of the Merging Corporation, those persons who were proper officers and directors of the Merging Corporation as of the effective date of the merger shall execute, acknowledge

and deliver such assignments or other instruments and do such acts as may be necessary or appropriate to evidence the vesting of title to such property or rights in the Surviving Corporation. For such purposes the capacity and authority of the Merging Corporation and its officers and directors shall be deemed to be continuing.

The Surviving Corporation agrees that it may be served with process in the State of Idaho and irrevocably appoints the Secretary of State of Idaho as its agent to accept service of process, in any proceeding for the enforcement of any obligation of the Merging Corporation arising in the State of Idaho prior to the effective date of the merger, and in any proceeding for the enforcement of the rights of a dissenting shareholder of the Merging Corporation against the Surviving Corporation.

EIGHTH

Accounting

When the merger becomes effective, subject to such changes, adjustments or eliminations as may be made in accordance with generally accepted accounting principles, the assets and liabilities of the Constituent Corporations shall be recorded in the accounting records of the Surviving Corporation at the amounts at which they shall be carried at that time in the accounting records of the Constituent Corporations.

NINTH

Abandonment

Anything herein or elsewhere to the contrary notwithstanding, this Plan and Agreement of Merger may be

abandoned by action of the Board of Directors of either the Surviving Corporation or the Merging Corporation at any time prior to the effective date of the merger, whether before or after submission to their respective stockholders, upon the happening of any one of the following events:

1. If the merger fails to obtain the requisite vote of stockholders of the Surviving Corporation or of stockholders of the Merging Corporation not later than the 30th day of June, 1999;

2. If, in the judgment of the Board of Directors of the Surviving Corporation or of the Merging Corporation, the merger would be impracticable because of the number of stockholders of either thereof who assert their right to have their stock appraised and to receive payment therefor as provided under the corporation law of the State of Idaho.

TENTH

Representations and Warranties

The Surviving Corporation and the Merging Corporation each represents and warrants to the other that between the date hereof and the time when the merger becomes effective they will not enter into any employment contracts, grant any stock options or issue any stock or securities, except upon the exercise of presently outstanding stock options, or declare or pay any dividends in stock or cash or make any other distribution on or with respect to their outstanding stock.

ELEVENTH

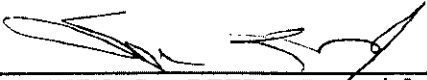
Effective Date

The effective date of the merger provided for by this Agreement shall be the date on which the last act prior to

recording required to complete the merger under the respective laws of the State of Idaho is performed.

IN WITNESS WHEREOF, the undersigned officers have signed their names hereto and have caused their respective corporate seals of the Constituent Corporations to be affixed hereto the 30th day of June, 1999.

SURVIVING CORPORATION:
REED'S ASSOCIATES, INC.,
an Idaho corporation

By 
STEVEN S. REED, President

MERGING CORPORATION:
SCR NORTHLAND, INC.,
an Idaho Corporation

By 
STEVEN S. REED, President