

# State of Idaho

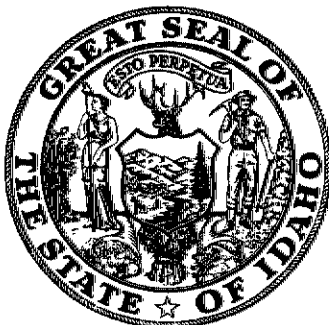
## Department of State

### CERTIFICATE OF MERGER OR CONSOLIDATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of merger of RICHARD L. ZAHN, M.D., INC., a California corporation, into RICHARD L. ZAHN, M.D., P.A., an Idaho corporation, file number C 108116, duly executed pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this certificate of merger, and attach hereto a duplicate original of the Articles of merger.

Dated: March 7, 1996



*Pete T. Cenarrusa*  
SECRETARY OF STATE

By *L. D. [Signature]*

RECEIVED  
2-11-77 '96  
STATE  
IDAHO

## ARTICLES OF MERGER

TO: The Secretaries of State of the States of California and Idaho

The undersigned corporations, pursuant to Section 30-1-74 of the Idaho Business Corporation Act and Section 1108 of the California General Corporation Law, hereby execute the following Articles of Merger:

1. The Plan of Merger is attached hereto as Exhibit "A" and incorporated herein by reference.

2. The name of the Surviving Corporation shall be "RICHARD L. ZAHN, M.D., P.A.", an Idaho Corporation.

3. As to RICHARD L. ZAHN, M.D., INC., a California corporation, the number of shares outstanding, all such shares being common stock of one class, entitled to vote on such Plan are One Thousand (1,000) shares.

4. As to RICHARD L. ZAHN, M.D., INC., a California corporation, the total number of shares voted for and against such Plan are as follows:

Shares Voted For

1,000

Shares Voted Against

-0-

5. A vote of the shareholders of RICHARD L. ZAHN, M.D., P.A., is not required pursuant to Section 30-1-73(d) of the Idaho Business Corporation Act.

6. There were no dissenting shareholders of either Corporation.

IDAHO SECRETARY OF STATE  
DATE 03/07/1996 0900 43678  
1  
CK #: 137219 CUST# 4260  
MERGER  
1@ 30.00= 30.00  
CERT COPY 1@ 10.00= 10.00

#:

DATED this 28<sup>th</sup> day of Feb., 1996.

RICHARD L. ZAHN, M.D., INC.

By Richard L. Zahn  
RICHARD L. ZAHN, M.D.  
President

By Richard L. Zahn  
RICHARD L. ZAHN, M.D.  
Secretary

RICHARD L. ZAHN, M.D., P.A.

By Richard L. Zahn  
RICHARD L. ZAHN, M.D.  
President

By Sara Kerns  
SARA KERNS, Secretary

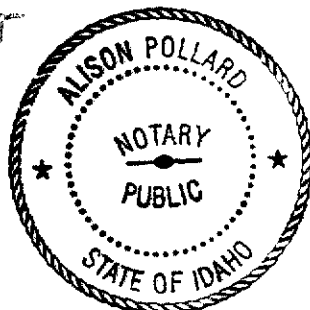
STATE OF IDAHO     )  
                                  :SS.  
County of Kootenai     )

RICHARD L. ZAHN, M.D., being first duly sworn on oath, deposes and says:

That I am the President of RICHARD L. ZAHN, M.D., P.A.; that I have read the within and foregoing Articles of Merger, know the contents thereof, and believe the same to be true.

Richard L. Zahn  
RICHARD L. ZAHN, M.D.

SUBSCRIBED AND SWORN TO before me this 28<sup>th</sup> day of  
February, 1996.



Alison Pollard  
Notary Public for Idaho  
Residing at COEUR d'ALENE  
Commission Expires 3-8-99

## PLAN OF MERGER

**THIS PLAN OF MERGER**, dated the 28 day of Feb., 1996, is by and between **RICHARD L. ZAHN, M.D., P.A.**, an Idaho corporation (hereinafter "Zahn/Idaho" or the "Surviving Corporation"), and **RICHARD L. ZAHN, M.D., INC.**, a California corporation (hereinafter "Zahn/California").

A. Zahn/Idaho is a corporation organized and existing under and by virtue of the laws of the State of Idaho, having an authorized capitalization of fifty thousand (50,000) shares of common stock with a par value of One Dollar (\$1.00) per share, of which one thousand (1,000) shares will be issued and outstanding, all of which will be owned by Richard L. Zahn, M.D. (hereinafter referred to as "Shareholder"), as a result of the merger contemplated by this Plan.

B. Zahn/California is a corporation organized and existing under and by virtue of the laws of the State of California, having an authorized capitalization of seventy five thousand (75,000) shares of common stock with a par value of one Dollars (\$ 1.00 ) per share, of which one thousand (1,000) shares are presently issued and outstanding, all of which are owned by the Shareholder.

C. The Directors of Zahn/Idaho and Zahn/California, the parties hereto, deem it desirable and in the best interests of the corporations and their shareholders that Zahn/California be merged into Zahn/Idaho for the following reasons:

1. The shareholder of Zahn/California who is active in the business was originally a California resident, and the primary office and principal place of business of the corporation was in California.
2. Recently, Zahn/California moved its entire business operation and its business office to Idaho.
3. Zahn/California no longer has any office, place of business or business activity in California.
4. The Shareholder who also serves as an officer and director of Zahn/California is now an Idaho resident.

5. Since the principal office and place of business of Zahn/California is now located in the State of Idaho, and since the corporation's primary business activity is now conducted in the State of Idaho, and since its principal officer and director is now a resident of Idaho, it would be preferable for the corporation to move its state of incorporation to Idaho in order to save the costs and expenses of conducting business in the state of Idaho through a foreign incorporated corporation, and for the convenience of the parties.

D. Zahn/Idaho has been newly organized in the State of Idaho in order to act as the surviving corporation following the merger of Zahn/California and Zahn/Idaho, thereby effecting a change in the state of incorporation.

**THEREFORE**, in consideration of the premises and the mutual promises and covenants, and subject to the conditions herein set forth, the merging corporations agree as follows:

1. The merging corporations shall be merged into a single corporation by Zahn/California merging into and with Zahn/Idaho, the Surviving Corporation, which shall survive the merger, pursuant to the provisions of Section 30-1-71, *et seq.*, of the Idaho Business Corporation Act. Upon such merger, the separate corporate existence of Zahn/California shall cease and the Surviving Corporation shall become the owner, without other transfer of all the rights and property of the merged corporation, and the Surviving Corporation shall become subject to all debts and liabilities of the merging corporation in the same manner as if the Surviving Corporation had itself incurred them.

2. The purposes, county where the principal office for the transaction of business shall be located, county where the registered office shall be located, number of directors, and the capital stock of the Surviving Corporation shall be as appears in the Articles of Incorporation of the Surviving Corporation, and as hereinafter set forth.

3. The Articles of Incorporation of Zahn/Idaho shall remain the same and in no way be affected or changed because of said merger.

4. The Bylaws of Zahn/Idaho shall remain the same and in no way be affected or changed because of said merger.

5. The name and address of the person who shall constitute the sole Director of the Surviving Corporation, and who shall hold office until the first annual meeting of the shareholders of the Surviving Corporation is as follows:

<u>Name</u>	<u>Address</u>
Richard L. Zahn, M.D.	2295 East Honeysuckle Hayden Lake, Idaho 83835

6. All shares of stock of Zahn/California shall be surrendered and exchanged by the Shareholder of Zahn/California for an equal number of newly issued shares in Zahn/Idaho following approval of this Plan of Merger. All issued and outstanding shares of stock in Zahn/California shall be surrendered to the Surviving Corporation or its duly appointed agent, duly endorsed for transfer, in such manner as the Surviving Corporation shall legally require, and shall be immediately canceled.

7. Neither Zahn/California nor Zahn/Idaho 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 this Plan.

8. This Plan of Merger shall be voted upon by the Directors of the merging corporations, and, following their approval, shall be submitted to the Shareholder of Zahn/California for his approval, all in the manner provided by the applicable laws of the States of California and Idaho. The shareholder of the Surviving Corporation is not required to vote on this Plan of Merger pursuant to the exception set forth in 30-1-73(d) of the Idaho Business Corporation Act. Immediately following approval by the vote of both Boards of Directors and by the holders of not less than two-thirds (2/3) of the issued and outstanding shares of Zahn/California entitled to vote thereon, the appropriate officers of the Surviving Corporation shall file Articles of Merger as required by the laws of the states of Idaho and California, the merger being effective on the latter to occur of the date the Articles of Merger are filed in the office of the Secretary of State of the states of Idaho and California.

9. This merger transaction, structured as a statutory merger pursuant to the laws of the states of California and Idaho, is, for federal income tax purposes, intended to qualify as a tax-free reorganization (a statutory merger) as to both corporations and their Shareholders

pursuant to Sections 368(a)(1)(A) and (F) and 354, and related provisions of the Internal Revenue Code of 1986.

10. The directors of either merging corporation may, at their discretion, abandon this merger, subject to the rights of third parties under contracts relating thereto, without further action or approval by the shareholder of the corporation, at any time before the merger has been completed.

**IN WITNESS WHEREOF**, the parties hereto have caused this Plan of Merger to be executed by their respective officers thereunto duly authorized this 28<sup>th</sup> day of Feb., 1996.

RICHARD L. ZAHN, M.D., P.A.

By Richard L. Zahn  
RICHARD L. ZAHN, M.D., President

ATTEST:

Sara Kerns  
Sara Kerns, Secretary

"Zahn/Idaho" or "Surviving Corporation"

RICHARD L. ZAHN, M.D., INC.

By Richard L. Zahn  
RICHARD L. ZAHN, M.D., President

ATTEST:

Richard L. Zahn  
Richard L. Zahn, M.D., Secretary

"Zahn/California"