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ARTICLES OF MERGER OF SMITH CHEVROLET CO. INC.
AND
WOODY'S AUTOMOTIVE CENTER, INC.

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SECRETARY OF STATE
STATE OF IDAHO

Pursuant to the provisions of Section 30-1-1101 et seq. of the Idaho Business Corporation Act, SMITH CHEVROLET CO. INC., an Idaho corporation, (*Surviving Corporation*), and WOODY'S AUTOMOTIVE CENTER, INC., an Idaho corporation (*Merging Corporation*), by and through their authorized officers and directors, hereby adopt the following Articles of Merger for the purpose of merging the two corporations into a single corporation.

The following Plan of Merger was approved by the consent and unanimous vote of all shareholders and the consent and unanimous vote of all directors of each corporation, including the *Surviving Corporation*, in the manner provided by the Idaho Business Corporation Act.

1. Name and Ownership. The name of each corporation and the name of the persons owning the outstanding shares are as follows:

<u>Name of Corporation</u>	<u>Ownership %</u>	<u>Number of Shares</u>	<u>Name of Shareholder</u>
Smith Chevrolet Co. Inc.	97.8%	978	Stafford L. Smith 2720 Coronado Circle Idaho Falls, ID 83404
Woody's Automotive Center, Inc.	100%	1000	Woodruff D. Smith 5000 East Lincoln Idaho Falls, ID 83401
Woody's Automotive Center, Inc.	2.2%	22	Woodruff and Dawn Smith 5000 East Lincoln Idaho Falls, Idaho 83401

2. Conversion of Shares. The name of shareholders and ownership of shares of the *Surviving Corporation* following the merger is as follows:

<u>Name of Shareholder</u>	<u>Ownership %</u>	<u>Number of Shares</u>
Stafford L. Smith	89.23%	892.3
Woodruff D. Smith	8.57%	85.7
Woodruff D. Smith and Dawn Smith, husband and wife	2.2%	22

Total Number of Outstanding Shares

IDAHO SECRETARY OF STATE

3. Delivery of Notice. A copy of the Plan of Merger and Articles of Merger have been delivered to each shareholder of record of each corporation. A waiver

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of mailing notice and consent to the Plan of Merger has been obtained from all the shareholders of all outstanding shares of each corporation.

5. Purpose of Surviving Corporation. The purposes of the *Surviving Corporation* includes the following:

- (a) To sell, lease and deal in automobiles and automobile products.
- (b) To own, lease or operate all types of marketing repair and service facilities for new and used automobiles, and in connection therewith to buy, deal in and sell automobiles, trucks, recreational vehicles, automobile accessories, and parts.
- (c) To buy, deal in, mortgage and sell stocks, bonds and other securities of other corporations.
- (d) To buy, deal in, mortgage and sell all kinds of real estate.
- (e) To engage in any and all businesses that are now or which may hereafter become related or associated with any of the foregoing purposes.
- (f) To conduct business for any lawful purpose or purposes provided under the law.
- (g) To buy and sell, discount and rediscount, notes, drafts, bills of exchange, stocks, bonds, securities and causes of action of all kinds, both as principal and as agent; also to buy and sell liens on real and personal property.
- (h) To draw, make, accept, endorse, execute, issue, discount and have discounted, and to deal in every lawful manner in promissory notes, bills of exchange, trade acceptances, conditional sales, warehouse receipts, warrants, and other negotiable or transferable instruments; and to borrow money and to incur indebtedness as may be determined expedient.
- (i) To purchase, lease as lessee, or otherwise acquire, and to hold for investment, improve, maintain and operate the business property and other real estate, automotive vehicles, fixtures, supplies, machinery and utensils, and all other personal property of fixtures, stock in this and other corporations, and any other personal property, and to sell, assign, convey, lease as lessor, manage, pledge, mortgage or otherwise encumber or dispose of lands, buildings, structures, vehicles, equipment, fixtures, supplies and any other real or personal property, tangible or intangible, which shall be deemed necessary, convenient or appropriate; and to do everything necessary, convenient or conducive to the full accomplishments of the foregoing objects in these Articles of Merger.
- (j) To engage in any or all of the purposes or powers enumerated in these Articles of Merger, a partner, or in a joint venture in such transactions.
- (k) The purposes specified herein and enumerated in these Articles shall be construed as both powers and purposes of this Corporation, and the enumeration of specific powers and purposes shall not be construed to limit or restrict in any manner the meaning of general terms or of the general powers of the Corporation; nor shall the

expression of one thing be deemed to exclude another, although it be of like nature not expressed.

6. Contracts. No contract or other transaction between the Corporation or any other corporation, whether or not a majority of the shares of the capital stock of such other corporation is owned by the Corporation, and no act of the Corporation shall in any way be affected or invalidated by the fact that any of the directors of the Corporation are pecuniarily or otherwise interested in any contract or transaction of the Corporation, and if any director of the Corporation is so interested may be counted in determining the existence of a quorum at any meeting of the Board of Directors of the Corporation which shall authorize such contract or transaction with like force and effect as if he were not such director or officer of such other corporation and not so interested.

7. By-Laws. The By-Laws of SMITH CHEVROLET CO. INC., the *Surviving Corporation*, as they shall exist upon the effective date of this merger, shall be and remain and continue to be the By-Laws until they are altered, amended or repealed as therein provided.

8. Directors and Officers. The persons who are directors of SMITH CHEVROLET CO. INC., the *Surviving Corporation*, on the effective date of this merger, shall be and remain and continue to be the directors of the *Surviving Corporation* and are named as follows:

DIRECTORS

STAFFORD L. SMITH

WOODRUFF D. SMITH

Such directors shall hold office until the next annual meeting of the *Surviving Corporation* after the effective date of this merger, and the election of the Board of Directors thereat or until their respective successors are elected or appointed and qualified.

All persons who are officers of the *Surviving Corporation* on the effective date of this merger shall be and remain and continue to be officers of the *Surviving Corporation*, subject to the provisions of the By-Laws of such *Surviving Corporation*. The officers of the *Surviving Corporation* who shall serve as hereinabove set forth are as follows:

PRESIDENT:	Stafford L. Smith
VICE PRESIDENT:	Woodruff D. Smith
SECRETARY:	Neva Kuntz

The officers shall serve in such capacity until the first regular meeting of the Board of Directors following the next annual meeting of stockholders, or until their successors shall have been elected or appointed and qualified.

9. Effective Date of Merger. This Agreement of Merger and the merger herein provided for shall be effective as of the 1st day of January, 1998. The separate existence of the subsidiary corporation except insofar as it may be continued by statute, shall cease on

the effective date of merger and upon this Agreement of Merger having been adopted, approved, signed and acknowledged in accordance with the laws of the State of Idaho.

10. Corporate Identity. The Corporate identity, existence, purposes, powers, objects, franchises, rights and immunities of the *Merging Corporation* shall continue unaffected and unimpaired by the merger and the Corporate identity, existence, purposes, powers, objects, franchises, rights, and immunities of such Corporation, shall be continued in and merged with and into SMITH CHEVROLET CO. INC., the *Surviving Corporation*, and SMITH CHEVROLET CO. INC., shall be fully vested therewith.

11. Effect of Merger. Upon this merger becoming effective:

(a) The *Surviving Corporation*, SMITH CHEVROLET CO. INC., shall possess all of the rights, privileges, powers and franchises, and shall be subject to all of the restrictions, disabilities, obligations and duties of the *Merged Corporations*, except as herein provided and except as otherwise provided by law.

(b) The *Surviving Corporation*, SMITH CHEVROLET CO. INC., shall be vested with all property, real, personal and mixed, and all debts due to the *Merged Corporations*, on whatever account, as well as all other things in action due or belonging to said *Merged Corporations*.

(c) All property rights, privileges, powers and franchises of the *Merged Corporation* shall be hereafter as effectually the property of the *Surviving Corporation*, SMITH CHEVROLET CO. INC., as they were of said *Merged Corporation*, but all right of creditors and all liens upon any property of any of the *Merged Corporation* shall be preserved unimpaired and all debts, liabilities, obligations and duties of the *Merged Corporation* shall henceforth attach to and are hereby assumed by the *Surviving Corporation* and may be enforced against it to the same extent as if such debts, liabilities, obligations and duties had been incurred or contracted by it.

12. Delivery of Documents. Upon the effective date of the merger and at such time as and when requested by the *Surviving Corporation*, SMITH CHEVROLET CO. INC., or by its successors or assigns, the *Merged Corporation* shall execute and deliver or cause to be executed and delivered all documents of transfer and any and all other instruments and shall take or cause to be taken all such other and further actions as the *Surviving Corporation* may deem necessary and desirable in order to more fully vest in and confirm to the *Surviving Corporation* all title to and possession of all of the property, rights, privileges, powers and franchises, hereinabove referred to, and otherwise to carry out the intent and purpose of this Agreement of Merger.


13. Duration. The duration of the *Merged and Surviving Corporation*, SMITH CHEVROLET CO. INC., shall be perpetual.

DATED this 5th day of January, 1998.

SMITH CHEVROLET CO. INC.


STAFFORD L. SMITH, President

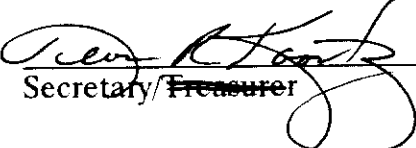
ATTEST:


Secretary/~~Treasurer~~

WOODY'S AUTOMOTIVE CENTER, INC.


WOODRUFF D. SMITH

ATTEST

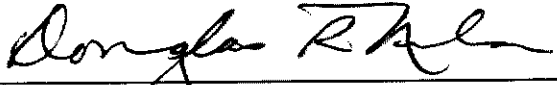

Secretary/~~Treasurer~~

STATE OF IDAHO)

County of Bonneville)

On this 5th day of January, 1998, before me, a Notary Public for the State of Idaho, personally appeared STAFFORD L. SMITH, known or identified to me to be the Secretary/Treasurer of SMITH CHEVROLET CO. INC., the *Surviving Corporation* that executed the instrument or the person who executed the instrument on behalf of said *Surviving Corporation*, and acknowledged to me that such *Surviving Corporation* executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.


Notary Public for the State of Idaho
Residing at Idaho Falls
My Commission Expires: 2.14.99

STATE OF IDAHO)
 :
County of Bonneville)

On this 5th day of January, 1998, before me, a Notary Public for the State of Idaho, personally appeared WOODRUFF D. SMITH known or identified to me to be the Secretary/Treasurer of WOODY'S AUTOMOTIVE CENTER, INC., the *Merging Corporation* that executed the instrument or the person who executed the instrument on behalf of said *Merging Corporation*, and acknowledged to me that such *Merging Corporation* executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Douglas R. Kuhn
Notary Public for the State of Idaho
Residing at Idaho Falls
My Commission Expires: 5.14.99

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