

**FILED EFFECTIVE**

**SECOND AMENDMENT TO ARTICLES OF INCORPORATION  
OF  
PICTURE GALLERIES INC.**

05 AUG -5 PM 2: 11

SECRETARY OF STATE  
STATE OF IDAHO

This Second Amendment to Articles of Incorporation (the "Second Amendment") of Picture Galleries Inc., an Idaho corporation (the "Corporation"), was duly adopted by the sole Director and sole Shareholder of the Corporation. The Articles of Incorporation (the "Articles") of the Corporation were filed in the office of the Idaho Secretary of State on May 21, 1992, and were first amended by Amendment to Articles of Incorporation filed on September 26, 2000 (the Articles as amended, the "Articles"), and have not been amended since that date. This Second Amendment is filed to reflect the vote of the sole Shareholder and Director to reduce the authorized common stock of the Corporation.

Pursuant to Sections 30-1-1003 and 30-1-1006 of the Act, the undersigned President of the Corporation certifies:

1. Name. The name of the corporation is Picture Galleries Inc.
2. Amendment. The amendment adopted deletes Article IV of the Articles in its entirety and substitutes the following therefor:

**ARTICLE IV**

The corporation is authorized to issue an aggregate of one hundred thousand (100,000) shares, designated as common stock, consisting of fifty thousand (50,000) shares of \$1 par value voting common, and fifty thousand (50,000) shares of no par non-voting common.

Each share of voting common stock shall have the same rights, privileges and voting power and each share of non-voting common stock shall have the same rights and privileges as each other share of both voting and non-voting common stock, except that shares of non-voting common stock shall not be entitled to vote.

3. Date of Adoption. The date of approval and adoption of this Second Amendment was August 3, 2005.
4. Approval by Directors. This Second Amendment was adopted by Consent of the sole Director of the Corporation dated effective August 3, 2005.

IDAHO SECRETARY OF STATE  
08/05/2005 05:00  
CK: 95847 CT: 1177 BH: 836282  
1 @ 38.00 = 38.00 AMEND PROF # 2

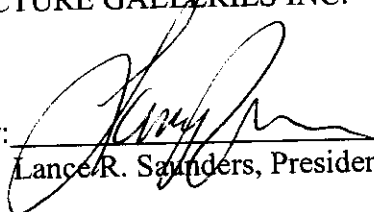
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5. Shareholder Approval. Approval by the Shareholders is required and the sole Shareholder duly approved the amendment as required by chapter 1, Title 30, Idaho Code, pursuant to Consent of Sole Shareholder dated August 3, 2005.

DATED this 3 day of August, 2005.

PICTURE GALLERIES INC.

By: \_\_\_\_\_

  
Lance R. Saunders, President