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SECRETARY OF STATE
STATE OF IDAHO

**ARTICLES OF MERGER
OF
CRITES-MOSCOW GROWERS, INC.
WITH AND INTO
CRITES SEED, INC.**

THE UNDERSIGNED CORPORATIONS do hereby execute the following Articles of Merger pursuant to the Idaho Nonprofit Corporation Act and the Idaho Business Corporation Act for the purpose of merging Crites-Moscow Growers, Inc., an Idaho cooperative marketing association with and into Crites Seed, Inc., an Idaho corporation.

ARTICLE I

NAMES AND STATE OF INCORPORATION

1.1 The name of each of the undersigned corporations and the state in which each is incorporated are as follows:

<u>NAME OF CORPORATION</u>	<u>STATE OF INCORPORATION</u>
Crites-Moscow Growers, Inc.	Idaho
Crites Seed, Inc.	Idaho

ARTICLE II

NAME OF SURVIVING CORPORATION

2.1 The name which the surviving corporation is to have after the merger will be "Crites Seed, Inc."

ARTICLE III

COMPLIANCE WITH THE ACT

3.1 This merger is permitted under the Idaho Nonprofit Corporate Act and the Idaho Business Corporation Act (hereafter collectively the "Act"). Crites-Moscow Growers, Inc. and Crites Seed, Inc. have complied with the applicable provisions of the Act.

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ARTICLE IV

AGREEMENT AND PLAN OF MERGER

4.1 The Agreement and Plan of Merger of Crites-Moscow Growers, Inc. and Crites Seed, Inc. (the "Agreement and Plan of Merger") is set forth in Exhibit "A" attached hereto and incorporated herein by this reference.

ARTICLE V

APPROVAL BY BOARD OF DIRECTORS

5.1 The Board of Directors of Crites Seed, Inc., the surviving corporation in the merger, approved and adopted the Agreement and Plan of Merger by written consent on May 6, 2008, and directed that such document be submitted to a vote of its Shareholder. The Board of Directors of Crites-Moscow Growers, Inc. approved and adopted the Agreement and Plan of Merger by written consent on January 17, 2008, and directed that such document be submitted to a vote of its members.

ARTICLE VI

APPROVAL BY SHAREHOLDERS AND MEMBERS

6.1 The Shareholder of Crites Seed, Inc. duly approved and adopted the Agreement and Plan of Merger on MAY 6, 2008, and the members of Crites-Moscow Growers, Inc. duly approved and adopted the Agreement and Plan of Merger on February 21, 2008, in the manner prescribed under the Act.

ARTICLE VII

SHARES AND VOTES

7.1 The number of shares outstanding and the number of shares of Crites Seed, Inc. entitled to vote on the Agreement and Plan of Merger is as follows:

NUMBER OF SHARES
OUTSTANDING

1,203,564 no par value
common voting shares

NUMBER OF SHARE
ENTITLED TO VOTE

1,203,564

7.2 The number of members of Crites-Moscow Growers, Inc. entitled to vote on the Agreement and Plan of Merger is as follows:

NUMBER OF MEMBERS

27

NUMBER OF VOTES

27

ARTICLE VIII

VOTED FOR AND AGAINST MERGER

8.1 The number of shares and members who voted for and against the approval and adoption of the Agreement and Plan of Merger were as follows:

NAME OF CORPORATION

Crites Seed, Inc.	1,203,564 total shares voted in favor	No share voted against
Crites-Moscow Growers, Inc.	27 members voted in favor	No share voted against

ARTICLE IX

ARTICLES OF INCORPORATION OF SURVIVING CORPORATION

9.1 The Articles of Incorporation of Crites Seed, Inc., the surviving corporation, will not be amended in conjunction with the merger.

ARTICLE X

EFFECTIVE TIME OF THE MERGER

10.1 These Articles of Merger, and the Agreement and Plan of Merger incorporated herein by this reference, shall take effect on May 30, 2008, at the close of business on said date pursuant to Idaho Code § 30-1-123(2), and the merger therein contemplated shall be deemed to be complete and consummated at said time.

IN WITNESS WHEREOF, these Articles of Merger have been signed by the President and Secretary of Crites Seed, Inc. and by the President and Secretary of Crites-Moscow Growers, Inc., each thereunto duly authorized, as of the 6th day of MAY 2008.

CRITES SEED, INC.

By: 

President

ATTESTED:

By: Way Jensen Secretary

CRITES-MOSCOW GROWERS, INC.

By: [Signature] President

ATTESTED:

By: Way Jensen Secretary

EXHIBIT "A"

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER ("Agreement") is entered into on this 6th day of MAY 2008 by and among CRITES-MOSCOW GROWERS, INC., an Idaho Cooperative Marketing Association ("Crites") and CRITES SEED, INC., an Idaho corporation ("CSI").

RECITALS

- A. Crites was incorporated on June 1, 1933, under the laws of the State of Idaho as a cooperative marketing association, and since the date of incorporation it has actively engaged in the production, marketing and selling of agricultural products of its member patrons.
- B. CSI was incorporated on April 30, 2008, under the laws of the State of Idaho and is formed to: engage in the activity of producing, growing, roguing, harvesting, processing, storing, handling, transporting, financing, advertising, selling, marketing and distributing dried peas and vegetable seeds or any products manufactured therefrom; to acquire and/or handle and market commodities grown by CSI's shareholders and nonshareholders.
- C. To operate on a cooperative basis for federal tax purposes, a minimum percentage of member patron business is required. The Internal Revenue Service, in addition to applying a fact and circumstances test, applies what is known as the fifty percent (50%) rule to determine if an organization is operating on a cooperative basis. Under the fifty percent (50%) rule, an organization must conduct fifty percent (50%) or more of its business with its own member patrons.
- D. For the past several years Crites has increasingly been receiving income from business conducted with nonmember patrons. A significant amount of Crites income is currently being received from nonmember business. It is likely that the fifty percent (50%) rule will no longer be satisfied and thus there is a risk Crites will no longer qualify as a cooperative for federal tax purposes.
- E. Because Crites may no longer be operating in a cooperative basis for federal tax purposes, the respective board members of Crites and CSI deem it advisable and in the best interest of Crites and CSI, and their members and shareholders, that Crites merge with and into CSI upon the terms and conditions set forth in this Agreement.

- F. The Board of Directors of Crites and CSI, respectively, have approved and adopted this Agreement as a plan of reorganization within the provisions of Section 368(a)(1)(A) of the Internal Revenue Code of 1986, as amended (the "Code").
- G. The respective Board of Directors of Crites and CSI have approved the merger of Crites into CSI upon the terms and subject to the conditions set forth in this Agreement.
- H. The parties hereto intend that the merger of Crites into CSI qualify for federal income tax purposes as a tax free reorganization under Section 368(a)(1)(A) of the Code.

AGREEMENT

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements contained in this Agreement, the parties hereto agree as follows:

ARTICLE 1.

NAMES OF CONSTITUENT CORPORATIONS

1.1 Names of Corporations. The name of each constituent corporation is Crites-Moscow Growers, Inc. and Crites Seed, Inc. Crites-Moscow Growers, Inc. and Crites Seed, Inc. are hereinafter sometimes collectively referred to as the "Constituent Corporations" or separately as the "Constituent Corporation."

1.2 Name of Surviving Corporation. The name of the Surviving Corporation is Crites Seed, Inc. and subsequent to the merger, its name shall remain Crites Seed, Inc.

ARTICLE 2.

CONSTITUENT CORPORATIONS

2.1 Membership, Designation, Number of Shares and Voting. As to each Constituent Corporation, the membership, designation, and number of outstanding shares of capital stock, and voting rights are:

2.1.1 Crites-Moscow Growers, Inc. is a cooperative marketing association with no capital stock. Rather than having stockholders, Crites-Moscow Growers, Inc. has members. The voting power of the members is equal, with each member having one (1) vote.

2.1.2 Crites Seed, Inc. has outstanding 1,203,564 shares of common voting stock.

ARTICLE 3.

THE MERGER

3.1 The Merger of the Constituent Corporations. Upon the terms and subject to the conditions set forth in this Agreement, and in accordance with the Idaho Nonprofit Corporation Act and the Idaho Business Corporation Act (hereinafter collectively the "Act"), Crites shall be merged with and into CSI at the Effective Time of the Merger (defined in Section 3.3 hereof). Following the merger, the separate corporate existence of Crites shall cease and CSI shall continue as the surviving corporation (hereinafter sometimes referred to as the "Surviving Corporation") and shall succeed to and assume all of the rights, properties, liabilities and obligations of Crites in accordance with the Act.

3.2 Closing. The transaction contemplated by this Agreement shall be closed in the offices of Irwin, Myklebust, Savage & Brown, P.S. on Friday, May 30, 2008, or such other date prior to May 30, 2008 (the "Closing Date"). Each party required to do so shall execute such deeds, bills of sale, assignments, letters of instruction, stock certificates, stock powers, Qualified Written Notices of Allocation (patronage dividends) and other documents, instruments and writings which may be reasonably required to consummate the merger contemplated herein.

3.3 Effective Time of Merger. The parties hereto shall file with the Secretary of State of the State of Idaho Articles of Merger executed in accordance with the relevant provisions of the Act and shall make such other filings, recording or publications required under the Act in connection with the merger of Crites into CSI. The merger shall become effective on May 30, 2008, or such earlier date as the parties hereto may agree and specify in the Articles of Merger (the "Effective Time of the Merger").

ARTICLE 4.

TERMS AND CONDITIONS OF THE MERGER

4.1 Effects of the Merger. The merger of Crites into CSI shall have the following effects:

4.1.1 At the Effective Time of the Merger, the separate existence of Crites shall cease and Crites shall be merged in accordance with the Act and this Agreement into CSI which shall survive the merger and shall continue in existence as the Surviving Corporation.

4.1.2 CSI in accordance with the Act and this Agreement shall succeed to and possess all of the rights, privileges, immunities, powers and purposes of each of the Constituent Corporations and all of the property, real and personal, including obligations for member patron equities in the form of Qualified Written Notices of Allocation that have not been paid out to member patrons, subscriptions for shares,

and may be called or convened in the manner provided by the Bylaws of the Surviving Corporation, for the purpose of calling a special meeting of the Board of Directors of the Surviving Corporation and may be held at the time and place specified in the notice of the meeting.

ARTICLE 5.

MANNER AND BASIS OF CONVERTING UNPAID PATRONAGE DIVIDENDS RETAINED BY CRITES INTO SHARES OF STOCK OF CSI

5.1 Converting Retained Patronage Dividends into Shares of Stock. The manner and basis of converting patronage dividends retained by Crites into shares of CSI shall be as follows:

5.1.1 Crites pays patronage dividends to its member patrons in the form of Qualified Written Notices of Allocation. Twenty percent (20%) of each patronage dividend amount identified in the Qualified Written Notice of Allocation is paid out to the member patrons with the remaining eighty percent (80%) retained by Crites as member patron equities on its books. Although only twenty percent (20%) of the patronage dividend identified in the Qualified Written Notice of Allocation is actually paid out to the member patrons, the member patrons are taxed on one hundred percent (100%) of the dividend amount. Eighty percent (80%) of the patronage dividend retained by Crites is treated as though Crites paid it to the member patrons with the member patrons reinvesting such amount back into Crites.

The cumulative dollar amount of a member patron's patronage dividend retained by Crites immediately prior to the Effective Time of the Merger, and all rights in respect thereto, shall by virtue of the merger and without any further action by the member patrons thereof, on a dollar for dollar basis, be converted into and become one share of voting common stock of CSI. The dollar amount of a member patron's patronage dividend retained, as shown on the books of Crites immediately prior to the Effective Time of the Merger, on and after the Effective Time of the Merger, shall be deemed for all purposes to represent the number of shares of CSI voting common stock into which the patronage dividend retained by Crites shall have been converted pursuant to this Section 5.1. After the Effective Time of the Merger, the amount of each member patron's patronage dividend retained by Crites, which shall be deemed to have been converted into CSI voting common stock under this Section, shall be entitled to be issued a certificate or certificates representing voting common stock of CSI.

ARTICLE 6.

REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties of Crites. CSI may, in its sole discretion, cancel this Agreement and abandon this merger any time prior to the Effective Time of the Merger, by delivering written notice thereof to Crites, if it shall appear at such time that any of the following statements or representations is untrue or inaccurate in any material respect, or that any of the following conditions or undertakings has not been met or fulfilled. Crites represents and warrants to CSI as follows:

6.1.1 Crites is a duly organized and lawfully existing Cooperative Marketing Association in good standing under the laws of the State of Idaho. Crites is duly qualified and in good standing as a foreign corporation in any jurisdiction in which the nature of its business or the character of its properties makes such qualification necessary, and its duly authorized, qualified, and licensed under all laws, regulations, ordinances, or orders of public authority to carry on its business in such jurisdictions in the manner presently conducted.

6.1.2 As of the date of this Agreement, all financial statements of Crites which have been delivered to CSI, or its representatives, are true, correct and complete in all material respects and accurately reflect the financial position and results of operations of the business of Crites as of the date thereof and for the periods covered thereby.

6.1.3 Crites has duly filed all federal, state, local, income, employment, sales or use, business and occupation, personal property, franchise and other tax returns required to be filed by Crites relating to its business, and has duly paid or made adequate provision for payment of all taxes which have been incurred or may be due and payable for any period prior to the date of this Agreement relating to its business.

6.1.4 There are no judicial or administrative proceedings pending or threatened against Crites which involve the possibility of any judgment or liability not fully covered by insurance or which will materially adversely effect the properties, business, or condition, financial or otherwise, of Crites, and no judgment, decree, or order of any court, board, or other governmental or administrative agency has been issued with respect to Crites which has or will have any material adverse effect on the business or assets or on the condition, financial or otherwise, of Crites.

6.1.5 Crites has good and merchantable title to all real property and good and merchantable title to all other property and assets used by Crites in the operation of its business, subject to no liens or encumbrances or title retention devices, except

mortgages securing bank loans incurred in the ordinary course of its business, liens for taxes not delinquent, and minor liens and encumbrances not material in relation to the value of such assets. Crites enjoys peaceable and undisturbed possession under all of the leases of which it is operating, none of which contains any unusual or burdensome provision which will materially effect or impair the operations of Crites, and all such leases are valid and subsisting and in full force and effect.

6.1.6 Crites is the owner, the assignee, or licensee of all patents, trademarks, trade names and copyrights used in its business operations. None of such patents, trademarks, trade names or copyrights is in litigation and Crites has not in its operation infringed any patents, trademarks, trade names, or copyrights of others.

6.1.7 Crites is not a party to nor is it bound by any unusual or burdensome agreement, deed, or other instrument, or subject to any charter, bylaw, or other corporate restrictions, adversely effecting in any material manner, its business or assets, or its condition, financial or otherwise.

6.1.8 As of the date of this Agreement, Crites does not have any outstanding options or agreements for the issuance or sale of shares of stock.

6.1.9 After the date of this Agreement, there shall be no material adverse changes in the financial condition of Crites.

6.1.10 After the date of this Agreement, Crites shall not sell or dispose of any property or assets without the written approval of CSI, except products sold in the due and regular course of business, nor shall Crites encumber any of its property or assets owned by it.

6.1.11 After the date of this Agreement, Crites shall not engage in any activity or transaction, other than in the ordinary course of business, without first having obtained the written approval of CSI.

6.1.12 After the date of this Agreement, Crites shall not issue or sell, or issue rights to subscribe to, any of its shares of stock.

6.1.13 Crites shall carry on its business after the date of this Agreement in substantially the same manner as prior to this Agreement and shall not, except in the usual and ordinary course of its business, enter into any contract

for advertising or for the purchase of any property of any kind whatsoever, without the written approval of CSI.

6.1.14 The assets, property, and rights owned by Crites after the date of this Agreement shall be preserved and maintained so far as practicable in the ordinary and customary conduct of its business to the same extent and in the same conditions as such assets, property, and rights were prior to the date of this Agreement. The officers of Crites, in good faith, shall carry on its business in such a manner as they reasonably believe to be in the best interest of Crites and CSI.

6.1.15 Crites shall keep in effect and undiminished, the insurance in effect upon the various property and assets owned by it.

6.1.16 Crites shall comply with all reasonable requests by CSI to afford CSI, its officers, attorneys, accountants, and representatives, access to its property, books, records, and titles to real property and will furnish any information with respect thereto reasonably requested by CSI.

6.1.17 Crites will use its best efforts to procure from the respective lessors in all leases in which Crites is the lessee, and the other party or parties to all contracts or rights to which Crites is a party, such appropriate consents in writing to the succession of CSI to the interest of Crites in such leases, contracts and rights as CSI shall have requested.

6.1.18 Crites shall furnish to CSI such consents or other documents and shall take such actions as CSI may request to enable CSI to safeguard the use and goodwill of the name of Crites.

6.1.19 Crites shall advise CSI promptly in writing of each objection to this merger made by any shareholder of Crites pursuant to the Act.

6.1.20 Crites shall obtain all consents from lenders to the succession of CSI to the interest of Crites under loan documents, mortgages, deeds of trust and security agreements.

6.2 Representations and Warranties of CSI. Crites may, in its sole discretion, cancel this Agreement and abandon the merger at any time prior to the Effective Time of the Merger, by delivering written notice thereof to CSI, if it shall appear at such time that any of the following statements or representations is untrue or inaccurate in any material respect, or that any of the following conditions or undertakings have not been met or fulfilled. CSI represents and warrants to Crites as follows:

6.2.1 CSI is a duly organized and lawfully existing corporation in good standing under the laws of the State of Idaho. CSI is duly qualified and in good standing as a foreign corporation in all jurisdictions in which the nature of its business or the character of its properties makes such qualification necessary, and its duly authorized, qualified, and licensed under all laws, regulations, ordinances, or orders of public authority to carry on its business in such jurisdictions in the manner presently conducted.

6.2.2 As of the date of this Agreement, the aggregate number of shares that CSI is authorized to issue is Two Million (2,000,000) common shares, without a par value, of which One Million Two Hundred Three Thousand Five Hundred Sixty-four (1,203,564) shares have been legally and validly issued.

6.2.3 As of the date of this Agreement, all financial statements of CSI which have been delivered to Crites, or its representatives, are true, correct and complete in all material respects and accurately reflect the financial position and results of operations of the business of CSI as of the date thereof and for the periods covered thereby.

6.2.4 CSI has duly filed all federal, state, local, income, employment, sales or use, business and occupation, personal property, franchise and other tax returns required to be filed by CSI relating to its business, and has duly paid or made adequate provision for payment of all taxes which has been incurred or may be due and payable for any period prior to the date of this Agreement relating to its business.

6.2.5 There are no judicial or administrative proceedings pending or threatened against CSI which involve the possibility of any judgment or liability not fully covered by insurance or which will materially adversely effect the properties, business, or condition, financial or otherwise, of CSI, and no judgment, decree, or order of any court, board, or other governmental or administrative agency has been issued with respect to CSI which has or will have any material adverse effect on the business or assets or on the condition, financial or otherwise, CSI.

6.2.6 CSI has good and merchantable title to all real property and good and merchantable title to all other property and assets used by CSI in the operation of its business, subject to no liens or encumbrances or title retention devices, except liens for taxes not delinquent, and minor liens and encumbrances not material in relation to the value of such assets. CSI enjoys peaceable and undisturbed possession under all of the leases of which it is operating, none of which contains any unusual or burdensome provision which will materially effect or impair the operations of CSI, and all such leases are valid and subsisting and in full force and effect.

6.2.7 CSI is the owner, the assignee, or licensee of all patents, trademarks, trade names and copyrights used in its business operations. None of such patents, trademarks, trade names or copyrights is in litigation and CSI has not in its operation infringed any patents, trademarks, trade names, or copyrights of others.

6.2.8 CSI is not a party to nor is it bound by any unusual or burdensome agreement, deed, or other instrument, or subject to any charter, bylaw, or other corporate restrictions, adversely affecting in any material manner, its business or assets, or its condition, financial or otherwise.

6.2.9 As of the date of this Agreement, CSI does not have any outstanding options or agreements for the issuance or sale of its shares of stock.

6.2.10 After the date of this Agreement, there shall be no material adverse changes in the financial condition of CSI.

6.2.11 After the date of this Agreement, CSI shall not sell or dispose of any property or assets without the written approval of Crites, except products sold in the due and regular course of business, nor shall CSI encumber any of its property or assets owned by it.

6.2.12 After the date of this Agreement, CSI shall not engage in any activity or transaction, other than in the ordinary course of business, without first having obtained the written approval of Crites.

6.2.13 After the date of this Agreement, CSI shall not issue or sell, or issue rights to subscribe to, any of its shares of stock.

6.2.14 CSI shall carry on its business after the date of this Agreement in substantially the same manner as prior to this Agreement and shall not, except in the usual and ordinary course of its business, enter into any contract for advertising or for the purchase of any property of any kind whatsoever, without the written approval of Crites.

6.2.15 The assets, property, and rights owned by CSI after the date of this Agreement shall be preserved and maintained so far as practicable in the ordinary and customary conduct of its business to the same extent and in the same condition as such assets, property, and rights were prior to the date of this Agreement. The officers of CSI in good faith shall carry on its business in such a manner as they reasonably believe to be in the best interest of CSI and Crites.

6.2.16 CSI shall keep in effect and undiminished, the insurance in effect upon the various property and assets owned by it.

6.2.17 CSI shall comply with all reasonable requests by Crites to afford Crites, its officers, attorneys, accountants, and representatives, access to its property, books, records, and titles to real property and will furnish any information with respect thereto reasonably requested by Crites.

ARTICLE 7.

TERMINATION, AMENDMENT AND WAIVER

7.1 Termination. This Agreement may be terminated at any time prior to the Closing Date by the mutual written consent of CSI and Crites.

7.2 Amendment and Waiver. Any provision of this Agreement may be amended or waived prior to the Effective Time of the Merger (whether before or after approval by the members and shareholders of the Constituent Corporations) if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by both parties hereto or, in the case of a waiver, by the party against whom the waiver is to be effective; provided, that after adoption of this Agreement by the members and shareholders of the Constituent Corporations, there shall be no amendment that by law requires further approval by the members and shareholders of the Constituent Corporations without the further approval of the members and shareholders.

ARTICLE 8.

GENERAL PROVISIONS

8.1 Notices. Any notice provided for in this Agreement shall be mailed by certified mail and shall be addressed to the parties at the following address until either party gives the other written notice of a change of address:

Crites Seed, Inc.
212 West 8th Street
Moscow, ID 83843

Crites-Moscow Growers, Inc.
212 West 8th Street
Moscow, ID 83843

8.2 Binding Effect. This Agreement when adopted by the Board of Directors of CSI, approved by the shareholders of CSI and adopted by the Board of Directors of Crites, approved by the members of Crites in the manner required under the Act shall be binding upon CSI, Crites, the shareholders and members of both corporations and their respective successors, personal representatives and assignees.

8.3 Section Headings. Section titles are only included as a guide to the contents thereof and are not to be considered as controlling, enlarging, or restricting the language or the meaning of those sections.

8.4 Applicable Law. This Agreement shall be governed, interpreted and enforced in accordance with the laws of the State of Idaho and the venue of any action brought to interpret or enforce any provisions of this Agreement shall be in the District Court of Latah County, Idaho.

8.5 Severability. The invalidity of any provision of this Agreement or any portion of a provision shall not effect the validity of any other provision of this Agreement or the remaining portion of the applicable provision.

8.6 Assignability. This Agreement shall not be assignable by either party hereto without the prior written consent of the other party.

8.7 Entire Agreement. This Agreement contains the entire Agreement of the parties hereto and, except for any agreements or warranties otherwise stated in writing to survive the execution and delivery of this Agreement, supercedes all previous understandings and agreements, written or oral, with respect to this transaction.

8.8 Counterparts. This Agreement may be executed in several counterparts, all of which together shall constitute one agreement binding all parties hereto, notwithstanding that all parties have not signed the same counterpart.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the day and year first above written.

CRITES SEED, INC.

CRITES-MOSCOW GROWERS, INC.

By: 

Ted Thompson
Its: President

By: 

Ted Thompson
Its: President

ATTESTED BY:

ATTESTED BY:

By: 

Wayne Jensen
Secretary

By: 

Wayne Jensen
Secretary