

STATEMENT OF THE ESTABLISHMENT OF A SERIES OF PREFERRED STOCK

DEC 19 3 42 PM '88

- A. The name of the corporation is L. B. Industries, Inc. SECRETARY OF STATE
- B. A copy of the resolution establishing and designating the series, and fixing and determining the relative rights and preferences thereof is attached hereto and by this reference incorporated herein as Exhibit A.
- C. The resolution which is attached hereto as Exhibit A was adopted effective December 15, 1988.
- D. The resolution which is attached hereto as Exhibit A was duly adopted by unanimous consent of the Board of Directors and as of this date is in full force and effect.

DATED this 19th day of December, 1988.

L. B. INDUSTRIES, INC.

By: John L. Kinn

Title: Vice President / Treasurer

ATTEST:

(Corporate Seal)

By: Christopher B. Clark

Title: Secretary

State of Idaho)
) ss.
County of Ada)

I, Linda H. Blanton, a notary public, do hereby certify that on this 19th day of December, 1988, personally appeared before me John L. Kinn and Christopher B. Clark who, being by me first duly sworn, declared that they are the Vice President / Treasurer and the Secretary of the corporation, respectively, that they signed the foregoing document on behalf of said corporation, and that the statements therein contained are true.

Linda H. Blanton
NOTARY PUBLIC

Residing at Boise, Idaho
Commission Expires: 6-21-92

**ACTION BY CONSENT
OF THE
BOARD OF DIRECTORS
OF L. B. INDUSTRIES, INC.**

PURSUANT to Idaho Code Section 30-1-44, the undersigned constituting all of the directors of L. B. Industries, Inc., hereby consent to the adoption of the following resolution, effective December 15, 1988, with the same effect as if adopted at a meeting of the directors duly called, noticed and held at which a quorum was present and acting throughout:

WHEREAS, the Board of Directors and the Shareholders of L. B. Industries, Inc. have previously determined that it is advantageous for the corporation to authorize the issuance of Preferred stock in L. B. Industries, Inc.; and


WHEREAS, the Articles of Incorporation are being amended effective November 7, 1988 to permit the issuance of up to 2.5 million shares of nonvoting, no par value Preferred stock in series with the Board of Directors having the power to establish the relative rights and preferences of each particular series of Preferred stock.

NOW, LET IT BE RESOLVED, that the Board of Directors of L. B. Industries, Inc. does hereby authorize the issuance of one million shares of Series A Preferred stock which shall have the following characteristics, relative rights and preferences:

1. No par value.
2. Stated value twenty-five dollars (25.00) per share.
3. An eight percent (8%) per annum rate of dividend.
4. A cumulative right to the payment of dividends.
5. Dividends to be payable pro rata on a quarterly basis.
6. Said Series A Preferred stock to be redeemable at the call of the Board of Directors at one hundred and five percent (105%) of stated value plus the payment of any cumulative dividends - said redemption price to be paid in cash.
7. A preferential right to payment upon voluntary or involuntary liquidation or dissolution up to the stated value per share.
8. No sinking fund provision shall be provided for the redemption or purchase of shares.
9. No provision allowing for the conversion of shares.
10. Series A Preferred shares shall have no voting rights.

NOW, LET IT BE FURTHER RESOLVED, that prior to the issuance of any shares of Series A Preferred stock, that the officers of the corporation shall see to it that a statement of the establishment of a series of preferred stock be submitted for filing in the Office of the Secretary of State for the State of Idaho in accordance with the provisions of Idaho Code Section 30-1-16. Upon

approval of the establishment of said shares of stock, the officers of the corporation, who are empowered under the Idaho Corporation Act to issue shares of stock on behalf of the corporation, shall then proceed to issue said shares as appropriate.


LARRY B. BARNES

Date: 11-9-88


FRANK B. BARNES

Date: 12/7/88


JON L. BARNES

Date: 11/10/88


MIKE F. TAYLOR

Date: 11/9/88


JOSEPH E. DYLAG

Date: 12/8/88


RALPH J. COMSTOCK, JR.

Date: 12/11/88


JOE D. DAVIS

Date: 11-8-88