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State of Idaho

Department of State

CERTIFICATE OF AMENDMENT OF

PICABO LIVESTOCK COMPANY, INC.

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Amendment to the Articles of Incorporation of PICABO LIVESTOCK COMPANY, INC. duly signed and verified 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 Amendment to the Articles of Incorporation and attach hereto a duplicate original of the Articles of Amendment.

December 31, 1991



Pete T. Cenarrusa

SECRETARY OF STATE

Doris Annawood

Corporation Clerk

SECRETARY OF STATE

**ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
PICABO LIVESTOCK COMPANY, INC.**

Pursuant to the provisions of § 30-1-61 of the Idaho Business Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation.

I.

The name of the corporation is Picabo Livestock Company, Inc., an Idaho corporation.

II.

The following amendment of the Articles of Incorporation was adopted by the shareholders of the corporation on December 18, 1991, in the manner prescribed by the Idaho Business Corporation Act:

RESOLVED, that Article V. be amended in its entirety to read as follows:

"ARTICLE V.

The capital stock of the corporation shall consist of 200,000 shares of voting common stock and 4,000,000 shares of non-voting common stock. All shares of both voting common and non-voting common stock shall have a par value of \$1.00 per share.

Each share of voting common stock shall have the same rights, privileges and voting power and shall be non-assessable. 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 and

shall be non-assessable, except that shares of non-voting common stock shall not be entitled to vote."

III.

The number of outstanding shares of the corporation consist of 232,500 shares of voting common stock and 2,100 shares of preferred stock. All of these shares are entitled to vote on the amendment. The outstanding shares of both common and preferred stock are each entitled to vote on the amendment as a separate class.

IV.

The number of shares voted for and against the amendment by class and in total are as follows:

	<u>Shares For</u>	<u>Shares Against</u>
Voting Common Stock	232,500	0
Preferred Stock	<u>2,100</u>	<u>0</u>
Total	<u>234,600</u> -----	<u>0</u> -----

V.

The amendment provides for an exchange of all of the outstanding shares of common and preferred stock of the corporation, which shares shall then be cancelled, for newly issued shares of voting and non-voting common stock of the corporation pursuant to the Recapitalization Agreement, dated

December 18, 1991, a copy of which is attached hereto as Exhibit "A."

DATED this 18 day of December, 1991.

Picabo Livestock Company, Inc.

By Leonard N. Purdy
Its President

Attest:

Ann M. Purdy
Secretary

STATE OF IDAHO)
County of Blaine) ss

I, Elisha Ann Eccles, a Notary Public, do hereby certify that on this 18th day of December, 1991, personally appeared before me Leonard N. Purdy and Ann M. Purdy who, being by me first duly sworn, declared that they are the President and Secretary, respectively, of Picabo Livestock Company, Inc., that they signed the foregoing document as President and Secretary, respectively, of the corporation, and that the statements therein contained are true.

(SEAL)

Elisha Ann Eccles
Notary Public for Idaho
Commission expires 2/92

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RECAPITALIZATION AGREEMENT

THIS AGREEMENT, is made and entered into this 18 day of December, 1991, by and among LEONARD N. PURDY, SR., RUTH M. PURDY, LEONARD N. PURDY, JR., SHARON K. PURDY, MARK L. PURDY, BEA PURDY, KRISTINE NEAL, RICHARD NEAL, WILLIAM NEAL and MATTHEW NEAL, hereinafter referred to collectively as "Shareholders" and individually as a "Shareholder," and PICABO LIVESTOCK COMPANY, INC., an Idaho corporation, hereinafter referred to as the "Corporation," having its principal office at Picabo, Idaho.

WHEREAS, the Shareholders presently own all the shares of preferred and common stock of the Corporation, as indicated on Exhibit "A" attached hereto; and

WHEREAS, all the parties hereto have agreed upon a plan of recapitalization of the Corporation upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties agree as follows:

1. **RECAPITALIZATION:** Subsequent to the effective filing of the Articles of Amendment to Articles of Incorporation of the Corporation with the Secretary of State of the State of Idaho, said Articles of Amendment providing for the authorization of voting and non-voting common stock, the Corporation shall be recapitalized, and the Corporation shall issue to each Shareholder in exchange for each share of common and preferred stock presently

issued and outstanding in the following proportions: (1) for certain shares of common stock, 7.75 shares of voting common stock; (2) for certain shares of common stock, 8.20 shares of non-voting common stock; (3) for all preferred stock, 53 shares of non-voting common stock. Immediately following the exchange contemplated by this Agreement, the Shareholders shall hold such shares of voting and non-voting common stock as indicated on Exhibit "A."

2. **TAX EFFECTS:** This Agreement is predicated upon the following anticipated tax effects, contemplated and intended by the parties agreeing hereto:

a. The exchange by Shareholders of all previously held common and preferred stock of the Corporation for certain amounts of voting and non-voting common stock shall constitute a reorganization within the meaning of Internal Revenue Code § 368(a)(1)(E);

b. Under the provisions of the Internal Revenue Code § 354(a)(1), the basis of the voting and non-voting common stock in the Corporation received by the Shareholders will be the same as the basis of the common and preferred stock surrendered in exchange therefor; and, under the provisions of Internal Revenue Code § 1223(1), the holding period for voting and non-voting common stock received will include the period for which the common and preferred stock exchanged was held if the latter was a capital

asset in the hands of the respective Shareholders at the time of the exchange.

3. **ALTERNATIVE TAX EFFECTS:** If it is ever determined that the transfer of the common and preferred stock in exchange for the voting and non-voting common stock is not a tax-free reorganization under I.R.C. § 368(a)(1)(E), the transfer by the parties hereto will be considered a non-taxable transfer under I.R.C. § 351.

4. **BINDING EFFECT:** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their successors, representatives and assigns.

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

PICABO LIVESTOCK COMPANY, INC.

By Leonard N. Purdy
Its President

ATTEST:

Ruth M. Purdy
Secretary

"Corporation"

Leonard N. Purdy, Sr.
Leonard N. Purdy, Sr.

Ruth M. Purdy
Ruth M. Purdy

Leonard N. Purdy, Jr.
Leonard N. Purdy, Jr.

Sharon K. Purdy
Sharon K. Purdy

Mark L. Purdy
Mark L. Purdy

Bea Purdy
Bea Purdy

Kristine Neal
Kristine Neal

Richard Neal
Richard Neal

Matthew Neal
Matthew Neal

"Shareholders"

Will Neal
Will Neal

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	SEALERS COMMON PREFERRED	SEALERS PREFERRED PREFERRED	COMMON SEALERS EXCHANGED FOR VOTING	COMMON SEALERS EXCHANGED FOR NON- VOTING	COMMON SEALERS EXCHANGED FOR NON- VOTING	EXCHANGE RATE	NEW SEALERS VOTING	NEW SEALERS NON-VOTING	TOTAL NEW SEALERS VOTING	TOTAL NEW SEALERS NON-VOTING
Leonard, Sr. & Rich Purdy, NEW	101,000	0	3,871	97,129	7.75/sh 8.20/sh	30,000	796,458	30,000	796,458	
L.M. & Sharon Purdy, NEW	65,000	700	2,580	62,420	7.75/sh 8.20/sh 53.00/sh	20,000	511,844 37,100	20,000	548,944	
Mark & Bea Purdy, NEW	28,000	700	0	28,000	8.20/sh 53.00/sh	0	229,600 37,100	0	266,700	
Kristine Neal	25,500	550	0	25,500	8.20/sh 53.00/sh	0	209,100 29,150	0	238,250	
Richard Neal	11,000	150	0	11,000	8.20/sh 53.00/sh	0	90,200 7,950	0	98,150	
William Neal	1,000	0	0	1,000	8.20/sh	0	8,200	0	8,200	
Matthew Neal	1,000	0	0	1,000	8.20/sh	0	8,200	0	8,200	
TOTALS	232,500	2,100	6,451	226,049			50,000	1,964,902		

EXHIBIT "A"