

14833

# State of Idaho

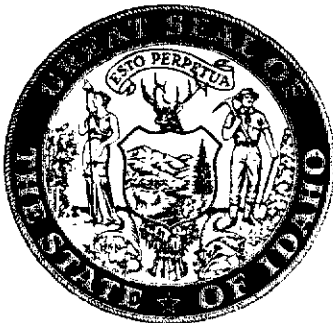
## Department of State

### CERTIFICATE OF MERGER OR CONSOLIDATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Merger of MCQUARY INSURANCE, INC., a Washington corporation, MCQUARY INSURANCE AGENCY OF IDAHO, INC., an Idaho corporation, and STONEBRAKER INSURANCE, INC., an Idaho corporation into STONEBRAKER-MCQUARY AGENCY GROUP, INC., an Idaho corporation, 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 merger, and attach hereto a duplicate original of the Articles of Merger.

Dated: January 3, 1995



*Pete T. Cenarrusa*  
SECRETARY OF STATE

By *Lucy I. Clark*

JAN 3 8 55 AM '95

ARTICLES OF MERGER  
OF  
McQUARY INSURANCE AGENCY, INC.  
SECRETARY OF STATE  
McQUARY INSURANCE AGENCY OF IDAHO, INC.  
STONEBRAKER INSURANCE, INC.  
AND  
STONEBRAKER-McQUARY AGENCY GROUP, INC.

IDAHO SECRETARY OF STATE  
19950103 0900 53355 2  
CX #: 2938 CUST# 4286  
CORP  
1@ 100.00= 100.00

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, being natural persons of legal age, and at least two-thirds of them being citizens of the United States of America, in order to effect the merger of the corporations herein named, for the purposes hereinafter states pursuant to the Business Corporation Act of Idaho, do hereby certify as follows:

ARTICLE 1. PLAN OF MERGER:

The Plan of Merger adopted by the shareholders and authorized representatives of the merging companies is attached hereto and incorporated herein by reference as though fully set forth as Exhibit "A" to these Articles.

ARTICLE 2. CLASSES OF SHARES AND SHARES OUTSTANDING EFFECTIVE THE DATE OF PLAN APPROVAL:

2.1 McQuary Insurance, Inc., a Washington corporation, issued and outstanding stock consisting of a single class of common voting stock with a total of 431.25 issued and outstanding shares effective the date of the Special Shareholder Meeting at which the Plan of Merger was approved.

2.2 McQuary Insurance Agency of Idaho, Inc., an Idaho corporation, issued and outstanding stock consisting of a single class of common voting stock with a total of 50 issued and outstanding shares effective the date of the Special Shareholder Meeting at which the Plan of Merger was approved.

2.3 Stonebraker Insurance, Inc., an Idaho corporation, issued and outstanding stock consisting of a single class of common voting stock with a total of 200 issued and outstanding

shares effective the date of the Special Shareholder Meeting at which the Plan of Merger was approved.

2.4 Stonebraker-McQuary Agency Group, Inc., an Idaho corporation, issued and outstanding stock consisting of a single Class "A" of common voting stock with a total of 200 issued and outstanding shares effective the date of the Special Shareholder Meeting at which the Plan of Merger was approved.

**ARTICLE 3. SUMMARY OF SHARES VOTED FOR AND AGAINST PLAN OF MERGER:**

3.1 McQuary Insurance, Inc. of Washington. Of a total of 431.25 shares, 431.25 shares were voted in favor; zero (0) shares were voted against approval of the Plan of Merger.

3.2 McQuary Insurance Agency of Idaho, Inc. of Idaho. Of a total of 50 shares, 50 shares were voted in favor; zero (0) shares were voted against approval of the Plan of Merger.

3.3 Stonebraker Insurance, Inc. Of a total of 200 shares, 200 shares were voted in favor; zero (0) shares were voted against approval of the Plan of Merger.

3.4 Stonebraker-McQuary Agency Group, Inc. Of a total of 200 shares, 200 shares were voted in favor; zero (0) were voted against approval of the Plan of Merger.

**ARTICLE 4. ARTICLES OF INCORPORATION OF STONEBRAKER-McQUARY AGENCY GROUP, INC.:**

Articles of Incorporation of Stonebraker-McQuary Agency Group, Inc., the surviving corporation, are on file with the Secretary of State of the State of Idaho and are hereby adopted by reference without change or amendment; said corporation is hereby recognized as the surviving entity and the Articles of said corporation are hereby ratified and approved as the Articles of Incorporation of the surviving, merged entity.

We, the undersigned, do make, file and record this certificate and do hereby certify that the facts herein stated are true; and we have accordingly hereunto set our respective hands and seals.

DATED at Lewiston this 30<sup>th</sup> day of December, 1994.

ATTEST:

Paulyn Stonebraker  
Witness

ATTEST:

Paulyn Stonebraker  
Witness

ATTEST:

Paulyn Stonebraker  
Witness

ATTEST:

Paulyn Stonebraker  
Witness

David McQuary  
Authorized Representative of  
McQuary Insurance Agency, Inc.

David McQuary  
Authorized Representative of  
McQuary Insurance Agency  
of Idaho, Inc.

Philip W. Stonebraker  
Authorized Representative of  
Stonebraker Insurance, Inc.

David McQuary  
Authorized Representative of  
Stonebraker-McQuary Agency  
Group, Inc.

STATE OF IDAHO )

: ss.

County of Nez Perce )

I, Becky L. Curtin, a notary public, do hereby certify that on this 30<sup>th</sup> day of December, 1994, personally appeared before me Donald McQuary, who, being by me first duly sworn, declared that he is the president of McQuary Insurance Agency, Inc., that he signed the foregoing document as president of the corporation, and that the statements therein contained are true.

(Seal)

Becky L. Curtin  
NOTARY PUBLIC in and for the  
State of Idaho, residing at  
Lewiston, therein.

My Commission Expires:

6/27/97

STATE OF IDAHO )

: ss.

County of Nez Perce )

I, Becky L. Curtin, a notary public, do hereby certify that on this 30<sup>th</sup> day of December, 1994, personally appeared before me Donald McQuary who, being by me first duly sworn, declared that he is the president of McQuary Insurance Agency of Idaho, Inc., that he signed the foregoing document as president of the corporation, and that the statements therein contained are true.

(Seal)

Becky L. Curtin  
NOTARY PUBLIC in and for the  
State of Idaho, residing at  
Lewiston, therein.

My Commission Expires:

6/27/97

STATE OF IDAHO )  
 : ss.  
County of Nez Perce )

I, Becky L. Curtin, a notary public, do hereby certify that on this 30<sup>th</sup> day of December, 1994, personally appeared before me Philip Stonebraker who, being by me first duly sworn, declared that he is the president of Stonebraker Insurance, Inc., that he signed the foregoing document as president of the corporation, and that the statements therein contained are true.

(Seal)

Becky L. Curtin  
NOTARY PUBLIC in and for the  
State of Idaho, residing at  
Lewiston, therein.

My Commission Expires:

6/27/97

STATE OF IDAHO )  
 : ss.  
County of Nez Perce )

I, Becky L. Curtin, a notary public, do hereby certify that on this 30<sup>th</sup> day of December, 1994, personally appeared before me Don McQuary, who, being by me first duly sworn, declared that he is the president of Stonebraker-McQuary Agency Group, Inc., that he signed the foregoing document as president of the corporation, and that the statements therein contained are true.

(Seal)

Becky L. Curtin  
NOTARY PUBLIC in and for the  
State of Idaho, residing at  
Lewiston, therein.

My Commission Expires:

6/27/97

**PLAN OF MERGER**  
**of**  
**McQUARY INSURANCE AGENCY, INC.**  
**McQUARY INSURANCE AGENCY OF IDAHO, INC.**  
**STONEBRAKER INSURANCE, INC.**  
**AND**  
**STONEBRAKER-McQUARY AGENCY GROUP, INC.**

1. The names of the corporations proposing to merge are as follows:

McQuary Insurance Agency, Inc., a Washington Corporation  
McQuary Insurance Agency of Idaho, Inc., an Idaho Corporation  
Stonebraker Insurance, Inc., an Idaho Corporation  
Stonebraker-McQuary Agency Group, Inc., an Idaho corporation

2. The name of the surviving corporation following merger into which of the above referenced corporations is:

Stonebraker-McQuary Agency Group, Inc.,  
an Idaho Corporation

3. The terms and conditions of the proposed merger are as follows:

The merger shall be effective January 1, 1995 and, upon completion of the merger, the merged corporation shall thereafter conduct all business previously conducted by the afore referenced merging corporations. The principal offices of the merged corporation shall be 1029 Main Street, Lewiston, Nez Perce County, Idaho and 615 5th Street, Clarkston, Asotin County, Washington.

4. The nature and business of the merged corporation and the objects and purposes to be transacted, promoted or carried on by it are as follows:

4.1 To engage in all lawful manner of insurance and insurance related business, including, but not limited to, the marketing and placement of commercial, personal and specialty lines of insurance; to conduct all manner of insurance and insurance related business, both as agent and broker, and to do all manner of other things lawfully authorized by the state of Idaho and any other state in which the merged corporation shall conduct business.

4.2 Upon completion of the merger of the corporations herein named into Stonebraker-McQuary Agency Group, Inc., said merged corporation shall have all right, power and authority to do and conduct all manner of business which could otherwise be conducted by a like or similar corporation authorized to transact business as a general business corporation in the state of Idaho.

5. **Capitalization.** The number of shares of stock which the merged corporation shall be authorized to issue shall be:

5.1. 100,000 shares of Class A common voting at the par value of \$1.00.

5.2. 100,000 shares of Class B common voting at the par value of \$1.00.

5.3. 100,000 shares of Class C preferred non-voting at the par value of \$1.00.

All such shares are designated as either Class A and B common voting, or Class C preferred non-voting stock of the corporation; Class A common stock and Class B common stock shall have full and equal per share voting powers. All classes of stock shall have equal rights of participation in any and all dividends to be issued by the corporation; Class C stock be preferred and have priority over Classes A and B stock, which shall be deemed to be equal in all respects, in the event of distribution of assets and/or liquidation of the merged corporation. All classess of stock shall be non-assessable.

6. **Bylaws.** The Bylaws of the merged corporation, Stonebraker-McQuary Agency Group, Inc. have been previously approved by the merging companies, parties hereto. Following adoption by the board of directors and shareholders of Stonebraker-McQuary Agency Group, Inc., said Bylaws may subsequently, in conformity with the terms and conditions contained therein, be altered, amended, repealed or otherwise changed.

7. **Directors and Officers.** Persons who are directors of the merging corporations on the effective date of the merger shall be, and remain and continue to be, directors of the merged corporation; such directors shall hold office until the first annual meeting of shareholders of the merged corporation after the effective date of the merger and until their respective successors are elected or appointed in the manner provided by the Bylaws thereof. If, on the effective date of the merger, a vacancy shall exist on the Board of Directors of the merged corporation for any reason whatsoever, such vacancy may be filled by the Board of Directors of the merged corporation as provided in the Bylaws of the merged corporation.

8. **Annual Meeting.** The first annual meeting of the shareholders of the surviving corporation after the effective date of the merger, shall be the annual meeting provided for by the Bylaws thereof for the year 1995. Subsequent to January 1, 1995 and as soon thereafter as is reasonably practical, the afore referenced directors of the merged corporation shall then and there meet



for the purposes of electing officers of the merged corporation who shall thereafter serve the longer of one year subsequent to the date of appointment or until such time as their successors have been appointed by the Board of Directors; nothing in this provision shall preclude or prevent the Board of Directors from removing or replacing an officer of the corporation for good cause in conformity with the Bylaws of the corporation.

9. This Plan of Merger and the Articles of Merger shall be filed with the Secretary of State for the state of Washington and the Secretary of State of the state of Idaho in conjunction with the Articles of Merger. Said Articles of Merger and the incorporated Plan of Merger shall, in all respects, comply and conform with the statutory requirements of both states. By this Plan and the Articles of Merger, the Secretary of State of the state of Washington is hereby appointed as the merged corporation's agent for service of process and any proceeding to enforce any obligations or rights of dissenting shareholders of each domestic party to the subject merger for all proceedings or actions initiated in the state of Washington by any party. By this provision, the merged corporation agrees that it will promptly pay to dissenting shareholders of each domestic corporation party to the subject merger the amount, if any, to which they would be entitled to under Chapter 23B.13 RCW.

10. **Conversion of Shares.** The manner of converting the shares of the merging corporation into the shares of the merged corporation shall be set forth in this paragraph:

10.1. Immediately upon the effective date of the merger each share of stock of McQuary Insurance Agency, Inc. outstanding in the hands of any individual or concern, without any action on the part of the holder thereof, shall automatically become and be converted into the common stock of the surviving corporation at the rate of 1.8237 shares of the Class A common voting stock of the surviving corporation for each one share of stock presently outstanding in McQuary Insurance Agency, Inc.; and each outstanding certificate representing the shares of stock of McQuary Insurance Agency, Inc. shall thereupon be deemed, for all corporate purposes (other than the payment of dividends), to evidence ownership of a number of fully paid, non-assessable shares of common stock of the merged corporation into which such shares of common stock of McQuary Insurance Agency, Inc. shall have been so converted; PROVIDED HOWEVER, that as soon thereafter as is reasonably practical, all shares of McQuary Insurance Agency, Inc. shall be surrendered to the appropriate agent of the merged corporation and thereafter said agent shall cause certificates in the merged corporation to be issued to the holder of the stock so surrendered.

10.2. Immediately upon the effective date of the merger each share of stock of McQuary Insurance Agency of Idaho, Inc. outstanding in the hands of any individual or concern, without any action on the part of the holder thereof, shall automatically become and be converted into the common stock of the surviving corporation at the rate of 5.471 shares of the Class A common voting stock of the surviving corporation for each one share of stock presently outstanding in McQuary Insurance Agency of Idaho, Inc.; and each outstanding certificate representing the shares of stock of McQuary Insurance Agency of Idaho, Inc. shall thereupon be deemed, for all corporate purposes (other than the payment of dividends), to evidence ownership of a number of fully paid, non-assessable shares of common

stock of the merged corporation into which such shares of common stock of McQuary Insurance Agency of Idaho, Inc. shall have been so converted; PROVIDED HOWEVER, that as soon thereafter as is reasonably practical, all shares of McQuary Insurance Agency of Idaho, Inc. shall be surrendered to the appropriate agent of the merged corporation and thereafter said agent shall cause certificates in the merged corporation to be issued to the holder of the stock so surrendered.

10.3. Immediately upon the effective date of the merger each share of stock of Stonebraker Insurance, Inc. outstanding in the hands of any individual or concern, without any action on the part of the holder thereof, shall automatically become and be converted into the common stock of the surviving corporation at the rate of 4.7 shares of the Class A common voting stock of the surviving corporation for each one share of stock presently outstanding in Stonebraker Insurance, Inc.; and each outstanding certificate representing the shares of stock of Stonebraker Insurance, Inc. shall thereupon be deemed, for all corporate purposes (other than the payment of dividends), to evidence ownership of a number of fully paid, non-assessable shares of common stock of the merged corporation into which such shares of common stock of Stonebraker Insurance, Inc. shall have been so converted; PROVIDED HOWEVER, that as soon thereafter as is reasonably practical, all shares of Stonebraker Insurance, Inc. shall be surrendered to the appropriate agent of the merged corporation and thereafter said agent shall cause certificates in the merged corporation to be issued to the holder of the stock so surrendered.

10.4. Immediately upon the effective date of the merger, each share of stock held in the treasury of either McQuary Insurance Agency, Inc. or Stonebraker Insurance, Inc. shall cease to exist and shall be deemed canceled, retired and eliminated and no shares of the common stock of the merged corporation shall be issued in respect thereof.

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

11.1 The merged corporation shall possess all rights, privileges and powers, both of a public and private nature, and shall be subject to all restrictions, disabilities, obligations and duties of each of the merging corporations otherwise provided for in this Agreement and except as otherwise provided for by law.

11.2 The merged corporation shall be vested with all property, real, personal or mixed, and all debts due the merging corporation, of whatever account, as well as all other things and actions belonging to the merging corporations shall become the property rights and interest of the merged corporation and;

11.3 All property, rights, privileges, powers and other assets of whatsoever nature, including cash on hand, bank accounts, and other property rights, both tangible and intangible, shall thereafter, on said effective date, become the property of the surviving corporation but all rights of creditors and all liens upon any property of either of the merging corpo-

rations shall be preserved, unimpaired, limited in lien to the property affected by such liens immediately prior to the effective date of the merger; all debts, liabilities, obligations and duties of the merging corporations shall thenceforth attach to and are hereby assumed by the merged corporation and may be enforced against it to the same extent as such debts, liabilities, obligations and duties have been incurred or contracted by it.

12. **Expenses of Merger.** The merged corporation shall pay all expenses of carrying this Agreement Of Merger into effect and of accomplishing the merger.

13. **Paid In Capital and Life of the Merged Corporation.** The minimum amount of paid in capital with which the merged corporation shall commence business shall be in an amount of \$10,000.00; the merged corporation shall have perpetual existence.

14. **Abandonment of Merger.** This Agreement of Merger may be terminated or otherwise abandoned before it becomes effective without further action or approval by the stockholders of any of the merging corporations:

14.1. By mutual consent of the Board of Directors of the merging corporations or;

14.2. By the Board of Directors of any one of the merging corporations in the event of the failure or inability to obtain necessary authorization or approval of any regulatory agency or shareholders or;

14.3. By the Board of Directors of any one of the merging corporations if any material litigation or claims shall be pending or threatened against or substantially affecting either of the merging corporations, the merged corporation or any of their respective assets or the merger which, in the judgment of such Board, renders it inadvisable to proceed with the merger.

15. **No Right of Reliance.** The merging corporations hereby mutually acknowledge and agree that the appropriate representative of each corporation has examined the books, records and other material documentation evidencing the activities, affairs, assets and liabilities of each such corporation and have found the same to be in good and proper order and that the directors of each such merging corporation specifically agree that, in effecting this merger, they have relied exclusively on their own examinations and no inducement or representations from the representatives of the other corporation.

16. **Articles of Incorporation.** The Articles of Incorporation of Stonebraker-McQuary Agency Group, Inc., on file and registered with the Secretary of State of the State of Idaho, shall be

in full force and effect and, for all purposes, shall become the Articles of Incorporation for the merging corporations herein named.

17. **Right to Amend Articles of Incorporation.** This Agreement of Merger shall be included and fully set forth in the Articles of Merger to be filed with the Secretaries of State of both Idaho and Washington for the merged corporation from and after the effective date of the merger. The merged corporation hereby reserves the right to amend, alter, change or repeal any provision contained in the Articles of Merger and/or the Articles of Incorporation for Stonebraker Insurance, Inc., which said Articles, until duly modified, shall, in all respects, constitute the Articles of the merged corporation.

18. **Service of Process.** Following the effective date of this merger, the merged corporation hereby specifically agrees that it may be served with process in the state of Washington and proceeding for enforcement of any obligation of McQuary Insurance Agency, Inc. and shall irrevocably appoint the Secretary of State of the state of Washington as agent to accept service of process in an action for enforcement of payment of any such obligation. The address to which a copy of such process shall be mailed is:

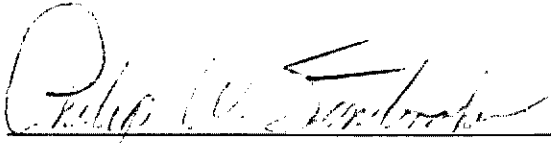
P.O. Box 677  
2517 17th Street, Suite C  
Lewiston, Idaho 83501

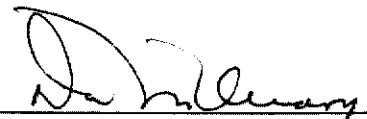
19. The authorized representatives of the merging companies, following approval of this Plan of Merger by the majority shareholders of each of the respective corporations subject to this Plan of Merger, are authorized to prepare Articles of Consolidation and to affix and/or otherwise append a copy of this Plan of Merger to said Articles in conformity with applicable law and submit same to the Secretary of State of the State of Idaho, and the Secretary of State in the State of Washington in a form and manner as may be required by each such state. The authorized representatives of the merging company are likewise following the approval and adopted of this plan of organization by the shareholders of each of the merging corporations, are hereby authorized to take and all such further as they may deem to be necessary to effect time Plan Of Merger in a reasonable and timely manner in conformity with applicable laws of the State of Washington and the State of Idaho.

DATED the 31<sup>th</sup> day of December, 1994.

McQUARY INSURANCE AGENCY, INC.

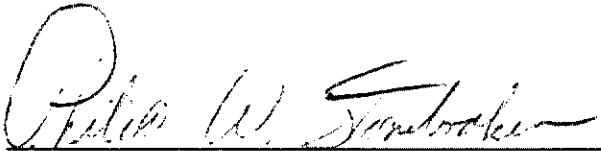
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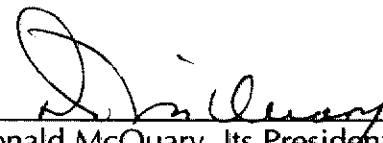
  
Secretary

  
Donald McQuary, Its President

McQUARY INSURANCE AGENCY OF IDAHO, INC.

ATTEST:

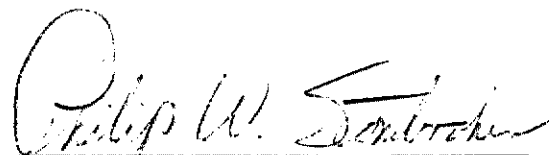
  
Secretary

  
Donald McQuary, Its President

STONEBRAKER INSURANCE, INC.

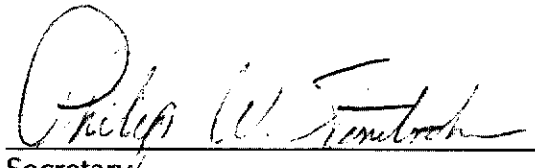
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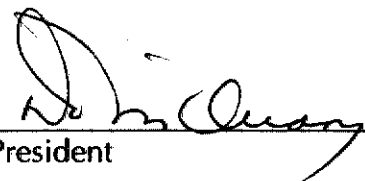
  
Secretary

  
Philip W. Stonebraker,  
Its President

STONEBRAKER-McQUARY AGENCY GROUP, INC.

ATTEST:

  
Secretary

  
Its President

STATE OF IDAHO                    )  
  : ss.  
County of Nez Perce            )

I, Becky L. Curtin, a notary public, do hereby certify that on this 30<sup>th</sup> day of December, 1994, personally appeared before me Donald McQuary, who, being by me first duly sworn, declared that he is the president of McQuary Insurance Agency, Inc., that he signed the foregoing document as president of the corporation, and that the statements therein contained are true.

(Seal)

Becky L. Curtin  
NOTARY PUBLIC in and for the  
State of Idaho, residing at  
Lewiston, therein.

My Commission Expires: 6/27/97

STATE OF IDAHO                    )  
  : ss.  
County of Nez Perce            )

I, Becky L. Curtin, a notary public, do hereby certify that on this 30<sup>th</sup> day of December, 1994, personally appeared before me Donald McQuary who, being by me first duly sworn, declared that he is the president of McQuary Insurance Agency of Idaho, Inc., that he signed the foregoing document as president of the corporation, and that the statements therein contained are true.

(Seal)

Becky L. Curtin  
NOTARY PUBLIC in and for the  
State of Idaho, residing at  
Lewiston, therein.

My Commission Expires: 6/27/97

STATE OF IDAHO )  
 : ss.  
County of Nez Perce )

I, Becky L. Curtin, a notary public, do hereby certify that on this 30<sup>th</sup> day of December, 1994, personally appeared before me Philip Stonebraker who, being by me first duly sworn, declared that he is the president of Stonebraker Insurance, Inc., that he signed the foregoing document as president of the corporation, and that the statements therein contained are true.

(Seal)

Becky L. Curtin  
NOTARY PUBLIC in and for the  
State of Idaho, residing at  
Lewiston, therein.

My Commission Expires:

6/27/97

STATE OF IDAHO )  
 : ss.  
County of Nez Perce )

I, Becky L. Curtin, a notary public, do hereby certify that on this 30<sup>th</sup> day of December, 1994, personally appeared before me Don McQuary who, being by me first duly sworn, declared that he is the president of Stonebraker-McQuary Agency Group, Inc., that he signed the foregoing document as president of the corporation, and that the statements therein contained are true.

(Seal)

Becky L. Curtin  
NOTARY PUBLIC in and for the  
State of Idaho, residing at  
Lewiston, therein.

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