

**FILED EFFECTIVE**

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Filed at the Request of:

Apprize360 Intelligence, Inc.  
3340 E. Goldstone Way  
Meridian, Idaho 83642

06 APR 10 PM 2:46

SECRETARY OF STATE  
STATE OF IDAHO

AFTER FILING MAIL TO:

Nicole C. Snyder, Esq.  
HOLLAND & HART LLP  
101 S. Capitol Blvd., Suite 1400  
Boise, Idaho 83702

**ARTICLES OF MERGER**

**OF APPRIZE360 INTELLIGENCE, LLC**  
(an Idaho limited liability company)

**WITH AND INTO**

**APPRIZE360 INTELLIGENCE, INC.**  
(an Idaho corporation)

Pursuant to the provisions of Section 30-1-1105 of the Idaho Business Corporation Act (the "IBCA"), and Section 53-663 of the Idaho Limited Liability Company Act (the "LLC Act"), Apprize360 Intelligence, Inc., an Idaho corporation (the "Corporation") and Apprize360 Intelligence, LLC, an Idaho limited liability company (the "LLC") adopt the following Articles of Merger for the purpose of merging them into one corporation:

**FIRST:** The Agreement and Plan of Merger (the "Plan") which is attached hereto as **Exhibit A** and, by this reference, incorporated herein as if set forth in full, was approved by the unanimous consent of the directors of the Corporation and the members of the LLC in the manner prescribed by the IBCA and the LLC Act. The Plan is on file at the place of business of the Corporation, which is 3340 E. Goldstone Way, Meridian, Idaho 83642, and a copy of the Plan will be furnished by the Corporation on request, and without cost, to any person holding an interest in either of the und

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**SECOND:** As to the Corporation, the Board of Directors was entitled to recommend, and approved, the Plan. As to the LLC, one member was entitled to vote on, and approved, the Plan.

**FOURTH:** The merger of the undersigned entities shall be effective upon the filing of these Articles of Merger.

**FIFTH:** The name of the surviving entity is Apprize360 Intelligence, Inc.

Dated the 1st day of April, 2006.

Apprize360 Intelligence, Inc.  
an Idaho corporation



By: Tim W. Rhodes, President

Apprize360 Intelligence, LLC,  
an Idaho limited liability company



By: Tim W. Rhodes, Member

**EXHIBIT A**  
**AGREEMENT AND PLAN OF MERGER**

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**AGREEMENT AND PLAN OF MERGER**

**OF**

**APPRIIZE360 INTELLIGENCE, LLC**  
**an Idaho limited liability company**

**AND**

**APPRIIZE360 INTELLIGENCE, INC.**  
**an Idaho corporation**

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**Dated as of April 1, 2006**

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## **AGREEMENT AND PLAN OF MERGER**

THIS AGREEMENT AND PLAN OF MERGER dated as of April \_\_\_\_\_, 2006 (the "Agreement") is by and between **APPRIZE360 INTELLIGENCE, LLC**, an Idaho limited liability company (the "LLC"), and **APPRIZE360 INTELLIGENCE, INC.**, an Idaho corporation (the "Corporation"). The LLC and the Corporation are sometimes referred to herein as the "Constituent Companies."

### **RECITALS**

A. The LLC is a member-managed limited liability company duly organized and existing under the laws of the state of Idaho, whose sole member is Tim W. Rhodes.

B. The Corporation is a corporation duly organized and existing under the laws of the state of Idaho and has an authorized capital of 100,000 shares of common stock, no par value (the "Corporation Common Stock"), of which no shares are issued and outstanding.

C. The parties have determined that it is advisable and in each of their best interests that the LLC be merged with and into the Corporation pursuant to Section 53-661 of the Idaho Limited Liability Company Act (the "LLC Act") and section 30-1-1101 of the Idaho Business Corporation Act (the "IBCA"), on the terms and conditions hereinafter set forth (the "Merger").

D. For federal income tax purposes, it is intended that the Merger and the transactions contemplated thereby qualify as a reorganization under the provisions of Section 368(a) of the United States Internal Revenue Code of 1986, as amended (the "Code").

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, the LLC and the Corporation agree, subject to the terms and conditions hereinafter set forth, as follows:

#### **1. MERGER**

1.1. **Merger.** Upon the terms and conditions of this Agreement and in accordance with the IBCA, at the Effective Time (defined below), the LLC shall be merged with and into the Corporation. Following the Merger, the Corporation shall continue as the surviving corporation (the "Surviving Corporation") and the separate existence of the LLC shall cease.

1.2. **Filing Effectiveness.** Subject to the provisions of this Agreement, the Merger shall become effective (the "Effective Time") upon the filing of a properly executed Articles of Merger meeting the requirements of the LLC Act and the IBCA with the Idaho Secretary of State on behalf of the LLC.

**1.3. Effect of the Merger.** Upon the Effective Time, the separate existence of the LLC shall cease and the Surviving Corporation (i) shall continue to possess all of its assets, rights, power, and property as constituted immediately prior to the Effective Time, (ii) shall be subject to all actions previously taken by its and the LLC's member, (iii) shall succeed, without other transfer, to all of the assets rights, power, and property of the LLC, (iv) shall continue to be subject to all of its debts, liabilities, and obligations as constituted immediately prior to the Effective Time, and (v) shall succeed, without other transfer, to all of the debts, liabilities, and obligations of the LLC in the same manner as if the Surviving Corporation had itself incurred them, all as more fully provided under the applicable provisions of the LLC Act and the IBCA.

## **2. NAME OF SURVIVING CORPORATION, CHARTER DOCUMENTS, DIRECTORS AND OFFICERS**

**2.1. Name.** The name of the Surviving Corporation shall be "Apprize360 Intelligence, Inc."

**2.2. Articles of Incorporation.** The Articles of Incorporation of the Corporation as in effect immediately prior to the Effective Time shall continue in full force and effect as the Articles of Incorporation of the Surviving Corporation until duly amended in accordance with the provisions thereof and applicable law.

**2.3. Bylaws.** The Bylaws of the Corporation as in effect immediately prior to the Effective Time shall continue in full force and effect as the Bylaws of the Surviving Corporation until duly amended in accordance with the provisions thereof and applicable law.

**2.4. Directors and Officers.** The directors and officers of the Corporation immediately prior to the Effective Time shall be the directors and officers of the Surviving Corporation until their successors shall have been duly elected and qualified or until as otherwise provided by law, the Articles of Incorporation of the Surviving Corporation or the Bylaws of the Surviving Corporation.

## **3. MANNER OF CONVERSION OF THE LLC MEMBERSHIP INTEREST AND THE CORPORATION COMMON STOCK**

**3.1. The LLC Membership Interest.** Upon the Effective Time, by virtue of the Merger and without any action by the Constituent Companies or the members or holders of any shares of capital stock of the Constituent Companies, the sole outstanding membership interest in the LLC shall be converted into 10,000 shares of the Corporation Common Stock.

**3.2. The Corporation Common Stock.** Without any action by the Constituent Companies or the Surviving Corporation, each share of the Corporation Common Stock issued and outstanding immediately prior to the Effective Time shall remain one share of validly issued, fully paid, and nonassessable Surviving Corporation common stock.

**4. REPRESENTATIONS AND WARRANTIES OF THE LLC.** The LLC represents and warrants to the Corporation as follows:

**4.1. Organization and Qualification.** The LLC is duly organized, validly existing and in good standing under the laws of the state of Idaho and has the requisite power and authority to own, lease, and operate its assets and properties and to carry on its business as it is now being conducted.

**4.2. Articles of Organization and Operating Agreement.** The LLC previously furnished and made available to the Corporation a complete and correct copy of its Articles of Organization and Operating Agreement, which are in full force and effect. The LLC is not in violation of any of the provisions of its Articles of Organization or Operating Agreement or equivalent organizational documents.

**4.3. Capitalization.** The ownership of the LLC consists of one uncertificated membership interest, as provided in the Operating Agreement, and is held one hundred percent (100%) by Tim W. Rhodes (the "Member"). Such membership interest includes the Member's rights in the profits, losses, and distributions pursuant to the Operating Agreement and the Idaho Limited Liability Company Act and there are no other agreements to which the LLC is a party, of any character relating to the membership interests of the LLC or obligating the LLC to issue or sell any membership interests, or other equity interests in, the LLC.

**4.4. Authorization.** The LLC has all necessary power and authority to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the Merger and the transactions contemplated thereby. The execution, delivery, and performance of this Agreement have been duly authorized by the LLC's managers and members.

**4.5. Legally Binding Obligation.** This Agreement constitutes a legal and binding obligation of the LLC, enforceable against it in accordance with its terms, subject to: (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to creditors rights generally and (ii) the availability of injunctive relief and other equitable remedies.

**4.6. No Conflicts.** The execution and delivery of this Agreement does not, and the performance of its obligations will not: (i) conflict with or violate the Articles of Organization, Operating Agreement, or equivalent organizational documents of the LLC; (ii) conflict with or violate any law, rule, regulation, order, judgment or decree applicable to the LLC; or (iii) result in any breach of or constitute a default under, or alter the rights or obligations of any third party or the LLC, or give to others any rights of termination, amendment, acceleration, increased payments or cancellation of, or result in the creation of a lien or other encumbrance on any of the properties or assets of the LLC pursuant to any note, bond, mortgage, indenture, contract, agreement, lease, license, permit franchise, or other instrument or obligation to which the LLC is a party or is bound or affected.

**4.7. Compliance.** The LLC is in possession of all franchises, grants, authorizations, licenses, permits, easements, consents, certificates, approvals, and orders necessary to own, lease, and operate the properties it purports to own, operate, or lease and to carry on its business as it is now being conducted.

**5. REPRESENTATIONS AND WARRANTIES OF THE CORPORATION.** The Corporation represents and warrants to the LLC as follows:

**5.1. Organization and Qualification.** The Corporation is duly organized, validly existing and in good standing under the laws of the state of Idaho and has the requisite corporate or other power and authority to own, lease, and operate its assets and properties and to carry on its business as it is now being conducted.

**5.2. Articles of Incorporation and Bylaws.** The Corporation previously furnished and made available to the LLC a complete and correct copy of its Articles of Incorporation and Bylaws as amended to date. Such Articles of Incorporation and Bylaws are in full force and effect. The Corporation is not in violation of any of the provisions of its Articles of Incorporation or Bylaws or equivalent organizational documents.

**5.3. Capitalization.** The authorized capital stock of the Corporation consists of 100,000 shares of the Corporation Common Stock of which no shares are issued and outstanding. There are no options, warrants or other rights, agreements, or commitments, in each case to which the Corporation is a party, of any character relating to the issued or unissued capital stock of the Corporation or obligating the Corporation to issue or sell any shares of capital stock of, or other equity interests in, the Corporation.

**5.4. Authorization.** The Corporation has all necessary corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the Merger the transactions contemplated thereby. The execution, delivery, and performance of this Agreement has been duly authorized by the Corporation's board of directors.

**5.5. Legally Binding Obligation.** This Agreement constitutes a legal and binding obligation of the Corporation, enforceable against it in accordance with its terms, subject to: (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to creditors rights generally and (ii) the availability of injunctive relief and other equitable remedies.

**5.6. No Conflicts.** The execution and delivery of this Agreement does not, and the performance of its obligations will not: (i) conflict with or violate the Articles of Incorporation, Bylaws or equivalent organizational documents of the Corporation; (ii) conflict with or violate any law, rule, regulation, order, judgment or decree applicable to the Corporation; or (iii) result in any breach of or constitute a default under, or alter the rights or obligations of any third party or the Corporation, or give to others any rights of



termination, amendment, acceleration, increased payments or cancellation of, or result in the creation of a lien or other encumbrance on any of the properties or assets of the Corporation pursuant to any note, bond, mortgage, indenture, contract, agreement, lease, license, permit franchise or other instrument or obligation to which the Corporation is a party or is bound or affected.

**5.7. Compliance.** The Corporation is in possession of all franchises, grants, authorizations, licenses, permits, easements, consents, certificates, approvals, and orders necessary to own, lease, and operate the properties it purports to own, operate, or lease and to carry on its business as it is now being conducted.

**6. COVENANTS OF THE LLC.** The LLC covenants and agrees that it will, on or before the Effective Time: (i) file any and all documents with the appropriate tax authority of the state of Idaho necessary for the assumption by the Corporation of all of the corporate and/or franchise tax liabilities of the LLC; and (ii) take such other actions as may be required by the LLC Act.

## **7. GENERAL**

**7.1. Further Assurances.** From time to time, as and when required by the Surviving Corporation or by its successors or assigns, there shall be executed and delivered on behalf of the LLC such deeds and other instruments, and there shall be taken or caused to be taken by the Surviving Corporation and the LLC such further and other actions, as shall be appropriate or necessary in order to vest or perfect in or conform of record or otherwise by the Surviving Corporation the title to and possession of all the property, interests, assets, rights, privileges, immunities, powers, franchises, and authority of the LLC and otherwise to carry out the purposes of this Agreement, and the officers and directors of the Surviving Corporation are fully authorized in the name and on behalf of the LLC or otherwise to take any and all such action and to execute and deliver any and all such deeds and other instruments.

**7.2. Abandonment.** At any time before the Effective Time, this Agreement may be terminated and the Merger may be abandoned for any reason whatsoever by the boards of directors or managers and shareholders or members of the Constituent Companies.

**7.3. Amendment.** The boards of directors or managers of the Constituent Companies may amend this Agreement at any time prior to the filing of this Agreement (or articles in lieu thereof) with the Secretary of State of the state of Idaho, provided that an amendment made subsequent to the adoption of this Agreement by the shareholders of either Constituent Company shall not: (1) alter or change the amount or kind of shares, securities, cash, property and/or rights to be received in exchange for or on conversion of all or any of the shares of any class or series thereof of such Constituent Company, (2) alter or change any term of the Articles of Incorporation of the Surviving Corporation to be effected by the Merger, or (3) alter or change any of the

terms and conditions of this Agreement if such alteration or change would adversely affect the holders of any class of shares or series thereof of such Constituent Company.

**7.4. Registered Office.** The registered office of the Surviving Corporation in the state of Idaho is located at 3340 E. Goldstone Way, Meridian, Idaho 83642, and Tim W. Rhodes is the registered agent of the Surviving Corporation at such address.

**7.5. Entire Agreement.** This Agreement (and the Exhibits attached to this Agreement, if any) shall constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. Executed copies of this Agreement will be on file at the principal place of business of the Surviving Corporation at 3340 E. Goldstone Way, Meridian, Idaho 83642, and copies thereof will be furnished to any shareholder of either Constituent Company, upon request and without cost.

**7.6. Governing Law.** This Agreement shall in all respects be construed, interpreted and enforced in accordance with and governed by the laws of the state of Idaho, without regard to its conflicts of law provisions.

**7.7. Severability.** In case any provision in this Agreement shall be invalid, illegal or unenforceable, to the extent permitted by applicable law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**7.8. Counterparts.** In order to facilitate the filing and recording of this Agreement, the same may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same instrument.

**7.9. Notices.** All notices hereunder shall be deemed given by a party hereto if in writing and delivered personally or by facsimile transmission or by registered or certified mail (return receipt requested) to the other party at the following address for such party (or at such other address as shall be specified by like notice):

if to the Corporation to:

3340 E. Goldstone Way  
Meridian, Idaho 83642

if to the LLC to:

3340 E. Goldstone Way  
Meridian, Idaho 83642


With a copy to:

Nicole C. Snyder, Esq.  
Holland & Hart LLP  
Suite 1400  
101 South Capitol Boulevard  
Boise, Idaho 83701-2527

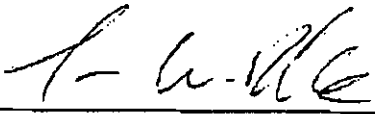
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IN WITNESS WHEREOF, this Agreement, having first been approved by resolutions of the Board of Directors of Apprize360 Intelligence, Inc. and member of Apprize360 Intelligence, LLC is hereby executed on behalf of each such two companies.

**APPRIZE360 INTELLIGENCE, INC.**  
an Idaho corporation

By:   
Name: Tim W. Rhodes  
Title: President

**APPRIZE360 INTELLIGENCE, LLC**  
an Idaho limited liability company

By:   
Name: Tim W. Rhodes  
Title: Member