

**FILED****2005 DEC 29 PM 3:05**

**ARTICLES OF MERGER** SECRETARY OF STATE  
**OF** STATE OF IDAHO  
**IDAHO ORTHOPAEDIC & SPORTS CLINIC, P.A.**  
**AND**  
**POCATELLO ORTHOPAEDICS & SPORTS MEDICINE INSTITUTE, P.A.**

Pursuant to the provisions of the Idaho Business Corporation Act, the domestic business corporations herein named do hereby submit the following Articles of Merger.

1.1 Annexed hereto and made a part hereof is the Plan of Merger for merging Idaho Orthopaedic & Sports Clinic, P.A., an Idaho corporation ("Idaho Orthopaedic"), with and into Pocatello Orthopaedics & Sports Medicine Institute, P.A., an Idaho corporation ("Pocatello Orthopaedics"), as adopted at a meeting by the Board of Directors of Idaho Orthopaedic on February 2, 2005, and adopted at a meeting by the Board of Directors of Pocatello Orthopaedics on February 2, 2005.

2.1 For Idaho Orthopaedic, the designation, the number of outstanding shares, and the number of votes entitled to be cast by the voting group entitled to vote on the Plan of Merger are as follows:

Designation of voting group: Common  
Number of outstanding shares of voting group: 3  
Number of votes of voting group entitled to be cast on the Plan of Merger: 3

3.1 For Pocatello Orthopaedics, the designation, the number of outstanding shares, and the number of votes entitled to be cast by the voting group entitled to vote on the Plan of Merger are as follows:

Designation of voting group: Common  
Number of outstanding shares of voting group: 2  
Number of votes of voting group entitled to be cast on the Plan of Merger: 2

4.1 For both Idaho Orthopaedic and Pocatello Orthopaedics, the number of votes cast for the Plan of Merger was sufficient for the approval thereof by the said voting group.

5.1 Pocatello Orthopaedics will continue its existence as the surviving corporation pursuant to the provisions of the Idaho Business Corporation Act.

6.1 The agreement of merger is on file at the business of the surviving corporation, 333 North 18<sup>th</sup>, Suite D-1, Pocatello Idaho 83201.

7.1 A copy of the agreement of merger will be furnished by the surviving corporation, on request and without cost, to any person holding an interest in Pocatello Orthopaedics or Idaho Orthopaedics.

IDAHO SECRETARY OF STATE  
12/29/2005 05:00  
CK: 688991 CT: 172099 BH: 929219  
1 @ 30.00 = 30.00 MERGER # 2  
1 @ 20.00 = 20.00 EXPEDITE C # 3

C 108 719

Executed on this 15th day of August, 2005.

**POCATELLO ORTHOPAEDICS & SPORTS  
MEDICINE INSTITUTE, P.A.**

By: *Richard A. Watt*  
Its: President

**IDAHO ORTHOPAEDIC & SPORTS CLINIC,  
P.A.**

By: *A. M. H.*  
Its: President

STATE OF IDAHO )

COUNTY OF

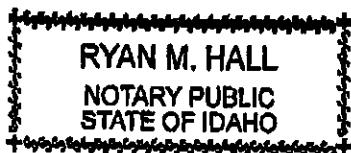
) ss.:  
Bannock

I, *Ryan Hall*, a notary public, do hereby certify that on this 22 day of December, 2005, personally appeared before me *Paula Watson / Ken Nelson*, who being first duly sworn, declared that he is the President of Pocatello Orthopaedics & Sports Medicine Institute, P.A., that he signed the foregoing document in such capacity of the corporation, and that the statements contained herein are true.

*Ryan Hall*  
Notary Public

Commission expires: 3/5/2005

SEAL



**PLAN OF MERGER  
OF  
IDAHO ORTHOPAEDIC & SPORTS CLINIC, P.A.  
AND  
POCATELLO ORTHOPAEDICS & SPORTS MEDICINE INSTITUTE, P.A.**

**ARTICLE 1.  
MERGER OF CORPORATIONS**

1.1) Constituent Corporations. The names of the Constituent Corporations are Idaho Orthopaedic & Sports Clinic, P.A., an Idaho corporation ("Idaho Orthopaedic") and Pocatello Orthopaedics & Sports Medicine Institute, P.A., an Idaho corporation ("Pocatello Orthopaedics"). The foregoing corporations together shall be referred to herein as the "Constituent Corporations."

1.2) Surviving Corporation. The Constituent Corporations shall be combined by the merger of Idaho Orthopaedic into Pocatello Orthopaedics and Pocatello Orthopaedics shall be the surviving corporation ("Surviving Corporation").

**ARTICLE 2.  
TERMS AND CONDITIONS**

2.1) Effective Date. The effective time and date of the merger shall be 12:01 a.m. on the later of January 2, 2006, or the date on which the Articles of Merger are filed with the Idaho Secretary of State (the "Effective Date"). On the Effective Date, the separate existence of Idaho Orthopaedic shall cease, and Pocatello Orthopaedics shall alone continue in existence as the Surviving Corporation. All transactions on and after the Effective Date shall be deemed transactions of and for the account of the Surviving Corporation.

2.2) Succession to Rights. As of Effective Date, the rights set forth herein shall apply to the Surviving Corporation. The Surviving Corporation shall succeed to and possess all the rights, privileges, powers, immunities, franchises, concessions, certificates and authority of a public as well as a private nature, of each of the Constituent Corporations. All property, real, personal and mixed, and every interest therein, and all other choses in action of or belonging to all of the Constituent Corporations on whatever account shall be vested in the Surviving Corporation, without any further act or deed; and all property, assets, rights, privileges, powers, immunities, franchises, concessions, certificates and authority shall be thereafter as effectively the property of the Surviving Corporation as they were or would be of the Constituent Corporations or any of them. Title to any real estate or any interest therein vested by deed or otherwise in any of the Constituent Corporations shall not revert or be in any way impaired by reason of this merger.

2.3) Succession to Liabilities. As of the Effective Date, the Surviving Corporation shall be responsible and liable for all the debts, liabilities, duties and obligations of each of the Constituent Corporations, and all such debts, liabilities, duties and obligations shall attach to the

Surviving Corporation and may be enforced against it to the same extent as if such debts, liabilities, duties and obligations had been originally incurred or contracted by it. As of the Effective Date, any claim of the Constituent Corporations may be prosecuted to judgment as if the merger had not taken place, or the Surviving Corporation may be substituted in its place. Neither the rights of creditors nor any liens upon the property of any of the Constituent Corporations shall be impaired by the merger.

2.4) Instruments of Further Assurance. If at any time after the Effective Date, the Surviving Corporation shall determine or be advised that any instrument of further assurance is needed in order to evidence the vesting in it of the title of any of the Constituent Corporations to any of the property rights of the Constituent Corporations, the appropriate officers or directors of the Constituent Corporations are hereby authorized to execute, acknowledge and deliver all such instruments of further assurance and to do all acts or things, in the name of the Constituent Corporations, as may be required or desirable to carry out the provisions of this Plan of Merger.

### ARTICLE 3. ORGANIZATION OF THE SURVIVING CORPORATION

3.1) Articles of Incorporation. At the Effective Date, the Articles of Incorporation of the Surviving Corporation shall be amended and restated as follows and shall continue in full force and effect until further amended and changed in the manner prescribed by the Idaho Statutes, the Restated Articles of Incorporation or the Amended and Restated Bylaws of the Surviving Corporation:

3.2) Name and Registered Office. The name of the corporation shall be "Idaho Orthopaedic Specialists, P.A."

3.3) The registered office of the corporation is located at 333 n 18<sup>th</sup>, Suite D-1, Pocatello, Idaho 83201.

3.4) Professional Firm. This corporation is organized as a professional corporation pursuant to Idaho Code § 30-1301, et. seq. for the purpose of rendering orthopaedic services by physicians who are licensed to practice medicine under the laws of the State of Idaho, and the services ancillary thereto. This corporation may not engage in any other business; however, the corporation may invest its funds in real estate, mortgages, stocks, bonds or any other type of investment and may own

3.5) Capital Stock. The aggregate number of shares the corporation has authority to issue is 10,000, which shall have a par value of \$.01 per share solely for the purpose of a statute or regulation imposing a tax or fee based upon the capitalization of the corporation. All shares shall be of the same class and value and have the same voting and other rights. All of the stock issued shall be fully paid and non-assessable.

3.6) Issuance of Shares. The Board of Directors of the corporation is authorized from time to time to accept subscriptions for, issue, sell and deliver shares of any class of the corporation, including shares issued to effect share dividends or splits, to such persons, at such

times and upon such terms and conditions as the Board, in its discretion, shall determine, valuing all nonmonetary consideration and establishing a price in money or other consideration, or a minimum price, or a general formula or method by which the price will be determined. None of the shares of this corporation may be issued to anyone other than an individual licensed to practice medicine in the State of Idaho.

3.7) No Preemptive Rights of Shareholders. No shares of any class or series of the corporation shall entitle the holders to any preemptive rights to subscribe for or purchase additional shares of that class or series or any other class or series of the corporation now or hereafter authorized or issued.

3.8) No Cumulative Voting Rights of Shareholders. There shall be no cumulative voting by the shareholders of the corporation.

3.9) Directors: Number and Term. The management of the corporation shall be vested in a Board of Directors. The number of directors shall be fixed by the Bylaws and may be altered by amending the Bylaws, but shall never be less than required by law. The term of office of each of the directors shall be fixed by the Bylaws. The directors shall be elected at the annual meeting of the shareholders.

3.10) Merger, Exchange, and Sale of Assets. Where approval of shareholders is required by law, the affirmative vote of the holders of at least seventy-five percent (75%) of the voting power of all shares entitled to vote shall be required to authorize the corporation (i) to merge into or with one or more other corporations, (ii) to exchange its shares for shares of one or more other corporations, or (iii) to sell, lease, transfer or otherwise dispose of all or substantially all of its property and assets, including its goodwill.

3.11) Amendment of Articles of Incorporation. Any provision contained in these Articles of Incorporation may be amended, altered, changed or repealed by the affirmative vote of the holders of at least seventy-five percent (75%) of the voting power of all shares entitled to vote at a duly held meeting or such greater percentage as may be otherwise prescribed by the laws of the State of Idaho.

#### ARTICLE 4. CONVERSION OF STOCK

4.1) Stock of Idaho Orthopaedic. On the Effective Date, each share of common stock of Idaho Orthopaedic shall be surrendered and canceled. In exchange for surrendering and canceling all of the outstanding shares of stock owned by them, all shareholders of Idaho Orthopaedic shall receive such shares as reflected on Exhibit A attached hereto. There shall be no cost charged to the holders of said stock for such conversion.

4.3) Stock of Pocatello Orthopaedics. Each share of common stock of Pocatello Orthopaedics shall be surrendered and canceled. In exchange for surrendering and canceling all of the outstanding shares of stock owned by them, all shareholders of Pocatello Orthopaedics

shall receive such shares as reflected on Exhibit A attached hereto. There shall be no cost charged to the holders of said stock for such conversion.

Exhibit A

	100
Richard A. Wathne, M.D.	100
Benjamin Blair, M.D.	
	Shares of Company Stock as of the Merger Effective Date
	100
Vernon S. Esplin, M.D.	100
Kenneth E. Newhouse, M.D.	100
Steven L. Coker, M.D.	

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