



**Department of State.**

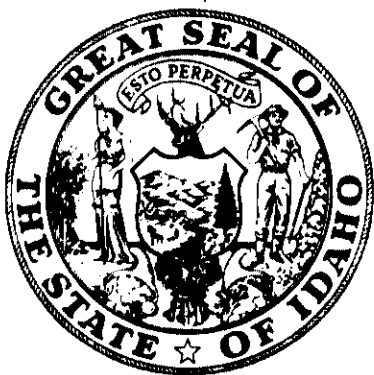
**CERTIFICATE OF MERGER OR CONSOLIDATION**

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho hereby certify that  
duplicate originals of Articles of Merger of \_\_\_\_\_  
PACIFIC ALASKA AIRLINES, INC.

into EMPIRE AIRLINES, 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  
merger, and attach hereto a duplicate original of the Articles of  
Merger.

Dated October 12, 19 89.



*Pete T. Cenarrusa*  
SECRETARY OF STATE

*Atkinson*  
Corporation Clerk

PLAN AND AGREEMENT OF MERGER BETWEEN

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SECRETARY OF STATE

OCT 10 9 25 AM '89  
SECRETARY OF STATE

EMPIRE AIRLINES, INC., an Idaho corporation  
the surviving corporation

and

PACIFIC ALASKA AIRLINES, INC., an Alaska corporation  
and a subsidiary corporation of Empire Airlines, Inc.

THIS PLAN AND AGREEMENT OF MERGER, made and entered into on this 30th day of September, 1989, by and between EMPIRE AIRLINES, INC., an Idaho corporation, and being the SURVIVING CORPORATION, and its directors, a majority of them, and hereinafter referred to as EMPIRE, and PACIFIC ALASKA AIRLINES, INC., an Alaska corporation, being the MERGED CORPORATION, and its directors, shareholders, and a majority thereof, hereinafter referred to as PACIFIC ALASKA.

WHEREAS: EMPIRE is duly organized and existing under the Laws of the State of Idaho and PACIFIC ALASKA is duly organized and existing under the Laws of the State of Alaska, and;

WHEREAS: EMPIRE has purchased and now owns all of the outstanding shares and has assumed all of the liabilities and obligations of PACIFIC ALASKA, and;

WHEREAS: The outstanding number of shares issued by EMPIRE on the date of merger is 567,250 shares of Common Stock. No other shares have been issued in any other class. The total number of shares purchased by EMPIRE and sold by PACIFIC ALASKA represent all of the shares issued and outstanding by PACIFIC ALASKA. The aggregate number of shares purchased by EMPIRE were 100,416 shares of Common Stock.

WHEREAS: The board of directors and shareholders of PACIFIC ALASKA have a desire to merge that corporation into the surviving corporation, EMPIRE, and;

WHEREAS: The board of directors and shareholders of EMPIRE wish to have PACIFIC ALASKA merged into EMPIRE with EMPIRE being the surviving corporation, and;

WHEREAS: EMPIRE was originally incorporated in Idaho as CLEARWATER FLYING SERVICE, INC., on the 23rd day of May, 1977 and subsequently on the 1st day of May, 1989, that corporation was

amended in Idaho and became EMPIRE AIRLINES, INC., and the registered office for the corporation is 11101 Airport Drive, Hayden Lake, ID 83835, and;

WHEREAS: PACIFIC ALASKA was incorporated in the State of Alaska on the 13th day of February, 1975, with the registered office being located at 6104 Old Airport Way, Fairbanks, AK 99706.

NOW THEREFORE:

1. EMPIRE AIRLINES, INC. does hereby agree with PACIFIC ALASKA AIRLINES INC. that the two corporations shall be merged, with the surviving corporation being EMPIRE AIRLINES, INC., an Idaho corporation and PACIFIC ALASKA shall no longer exist as a separate entity. This merger shall comply with the laws of the states of Alaska and Idaho.
2. This PLAN and AGREEMENT TO MERGER shall be submitted to the only shareholders of PACIFIC ALASKA AIRLINES, INC. (EMPIRE AIRLINES shareholders and board of directors) pursuant to the provisions of Alaska Statutes § 10.05.390. This approval shall take place prior to the filing of the Articles of Merger; A.S. § 10.05.393. Upon approval of the Plan of Merger, Articles of Merger shall be executed in duplicate by each corporation by the corporation's president and secretary and verified by one of the officers of each corporation signing the articles (A.S. § 10.05.399 and I.C. § 30-1-73). Upon approval of the Plan and Agreement to Merger by PACIFIC ALASKA, the same plan shall be submitted to the board of directors of EMPIRE for their approval by resolution. (I.C. § 30-1-75)
3. The name of the surviving corporation shall be EMPIRE AIRLINES, INC., and the surviving corporation shall have its existence under the laws of the State of Idaho.
4. The shares of PACIFIC ALASKA are wholly owned and held by Empire. There are of ONE class of common stock. The manner and basis of converting these shares of PACIFIC ALASKA into shares of the surviving corporation (EMPIRE)

shall be as follows:

- a. All of the shares of common stock outstanding of PACIFIC ALASKA shall be cancelled and surrendered and no shares of stock in the surviving corporation (EMPIRE) shall be issued.
  - b. The capital of PACIFIC ALASKA shall be reduced to zero. The capital of EMPIRE shall be affected only to the extent that the acquisition of PACIFIC ALASKA effects the value of the existing and issued shares of EMPIRE.
5. Upon proper approval of the PLAN and AGREEMENT of MERGER (Alaska Statutes § 10.05.378 and Idaho Code § 30-1-72), the following ARTICLES OF MERGER shall be executed as prescribed by Idaho Code § 30-1-74 and Alaska Statutes § 10.05.396.

## ARTICLES OF MERGER

### ARTICLE I

EMPIRE AIRLINES, INC., and PACIFIC ALASKA AIRLINES, INC., shall be merged into a single corporation, in accordance with applicable provisions of the laws of the State of Alaska and of the State of Idaho, by PACIFIC ALASKA AIRLINES, INC., merging into EMPIRE AIRLINES, INC., which shall be the surviving corporation.

### ARTICLE II

Upon the merger becoming effective as provided in the applicable laws of the State of Idaho and the State of Alaska (the time when the merger shall so become effective being sometimes hereinafter referred to as the "EFFECTIVE DATE OF THE MERGER"):

1. The two merged corporations shall be a single corporation, which shall be EMPIRE AIRLINES, INC., as the Surviving Corporation, and the separate existence of PACIFIC ALASKA AIRLINES, INC., shall cease except to the extent required by the laws of the State of Alaska in the case of a foreign corporation doing business within the State of Alaska (Alaska Statutes § 10.05.411).
2. EMPIRE AIRLINES, INC., shall thereupon possess all of the rights, privileges, immunities and franchises, as well

of a public as of a private nature, of each of the Constituent Corporations; and all property, real personal and mixed, and all debts due on whatever account, including subscriptions to shares, and all other choses in action, and all and every other interest of, or belonging to, or due to each of the Constituent Corporations, shall be taken and deemed to be vested in the Surviving Corporation without further act or deed; and the title to all real estate, or any interest therein, vested in either of the Constituent Corporations shall not revert or be in any way impaired by reason of the merger;

3. EMPIRE AIRLINES, INC., shall thenceforth be responsible and liable for all of the liabilities and obligations of each of the corporations; and any claim existing or action or proceeding pending by or against either 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, and neither the rights of creditors nor any liens upon the property of either of the Constituent corporations shall be impaired by the merger;
4. The surviving corporation (EMPIRE) hereby agrees that it will comply with all provisions of Alaska Statutes § 10.05.411 which will allow service of process upon EMPIRE within the state of Alaska including the right to be served within Alaska for the enforcement of a debt or obligation of PACIFIC ALASKA. Further, this right of service is also extended to the enforcement of the rights of any dissenting shareholder of PACIFIC ALASKA against the surviving EMPIRE. Upon the effective date of Merger, the Commissioner of Department of Commerce and Economic Development whose address is P.O. Box "D", Juneau, Alaska 99811, shall be appointed irrevocably as agent to accept service of process for and on behalf of the Surviving Corporation, EMPIRE AIRLINES, INC., an Idaho corporation. The surviving corporation hereby further agrees that it

may be served with process within the State of Idaho for any proceeding for the enforcement of any obligation or claim made against PACIFIC ALASKA AIRLINES arising from the merger, including the rights of any dissenting shareholder and hereby appoints the Secretary of the State, Corporations Division Office to accept service of process in any such suit or proceedings and agrees that service of any such process may be made by personally delivering to and leaving with the Secretary of State of the State of Idaho duplicate copies of such process; and hereby authorized the Secretary to send forthwith by registered mail on of such duplicate copies to EMPIRE AIRLINES, INC., 11101 Airport Drive, Hayden Lake, ID 83835.

5. The amount of the net assets of PACIFIC ALASKA AIRLINES, INC., which may or may not have been available for the payment of dividends immediately prior to the merger and to the extent to which there may have been value therewith shall merge into EMPIRE and shall add or detract for the capital worth of that surviving corporation as the case may be.
6. The Articles of Incorporation as amended and restated and Bylaws of EMPIRE AIRLINES, INC., as existing and constituted immediately prior to the effective date of merger shall be and constitute by bylaws of the Surviving Corporation; a copy of the Articles of Incorporation are attached to this Plan and Agreement as if fully set forth herein (Exhibit B)
7. The board of directors, and the members thereof, and the officers, of EMPIRE AIRLINES, INC., immediately prior to the effective date of merger shall be and constitute the board of directors, and the members thereof, and the officers of the Surviving Corporation.

#### ARTICLE III

The Certificate of Incorporation of EMPIRE AIRLINES, INC., as amended and restated on the 1st day of May, 1989, shall not be amended in any respect, by reason of this Agreement of Merger, and

said Certificate of Incorporation, as filed in the office of the Secretary of State of Idaho on the 1st day of May, 1989, shall constitute the Certificate of Incorporation of the Surviving Corporation until further amended in the manner provided by law, and is set forth in Exhibit A attached hereto and made a part of this Plan and Agreement of Merger with the same force and effect as if set forth in full herein. The Certificate of Incorporation as set forth in said Exhibit A and separate and apart from this plan and Agreement of Merger may be certified separately as the Certificate of Incorporation of the Surviving Corporation.

#### ARTICLE IV

The shares of stock (Common Stock) of PACIFIC ALASKA are wholly owned and controlled by the surviving corporation, EMPIRE. There are no other outstanding stock certificates issued by PACIFIC ALASKA AIRLINES, INC. Upon the effective date of this merger, those shares shall be surrendered, cancelled, and extinguished and shall have no intrinsic value in and of themselves. Any value of PACIFIC ALASKA shall be merged into and become value to the shareholders of EMPIRE stock.

#### ARTICLE V

EMPIRE AIRLINES, INC., as the Surviving Corporation, shall pay all expenses of carrying this Agreement of Merger into effect and accomplishing the merger herein provided for.

#### ARTICLE VI

If at any time the Surviving Corporation shall consider or be advised that any further assignment or assurance in law are necessary or desirable to vest in the Surviving Corporation the title to any property or rights of PACIFIC ALASKA AIRLINES, INC., the proper officers and directors of EMPIRE AIRLINES, INC., shall, and will execute and make all such proper assignments and assurances in law and do all things necessary or proper to thus vest such property or rights in the Surviving Corporation, and otherwise to carry out the purposes of this Plan and Agreement of Merger.

#### ARTICLE VII

This Plan and Agreement of Merger shall be submitted to the only shareholder of Stock in PACIFIC ALASKA AIRLINES, INC., that

being the shareholders and board of directors of EMPIRE AIRLINES, INC., for approval. Upon such approval, the board shall authorize the President, Secretary, and one other designated officer to affix their signatures to this document. The effect of these signatures shall not only be the approval of this Plan and the approval of the Articles of Merger therein, but also to waive any further notice or waive any time frames required by statute. Upon approval by PACIFIC ALASKA AIRLINES, INC., the same shall be submitted to the board of directors of EMPIRE for their approval and signature. Upon accomplishment of all of the above, this document and any other accompanying documents shall be submitted to the respective state authorities for their approval and the ultimate issuance of a "CERTIFICATE OF MERGER".

Anything herein or elsewhere to the contrary notwithstanding, this Plan and Agreement of Merger may be abandoned by either of the Constituent Corporations by an appropriate resolution of its board of directors at any time prior to its approval or adoption by the shareholders and stockholders thereof, or by the mutual consent of the Constituent Corporations evidenced by appropriate resolution of their respective boards of directors, at any time prior to the effective date of the Merger.

IN WITNESS WHEREOF, EMPIRE AIRLINES, INC., and PACIFIC ALASKA AIRLINES, INC., pursuant to the approval and authority duly given by resolutions adopted by their respective shareholders or boards of directors have caused this Plan and Agreement of Merger to be executed by the President and Attested by the Secretary and one officer of each party hereto, and the corporate seal affixed.

Attest:

EMPIRE AIRLINES, INC.


PACIFIC ALASKA AIRLINES, INC.


  
MELVIN SPELDE, PRESIDENT

  
MELVIN SPELDE, PRESIDENT

  
DAVID HOLLOWAY, SECRETARY

  
DAVID HOLLOWAY, SECRETARY

  
DIRECTOR AND OFFICER

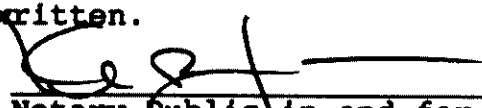
  
DIRECTOR AND OFFICER



STATE OF IDAHO )  
County of Kootenai ) ss.

On this 30 day of September, 1989, before me, the undersigned notary public, personally appeared Melvin Spelde, known to me to be the president of Empire Airlines, Inc., and the president of Pacific Alaska Airlines, Inc., and David Holloway, known to me to be the secretary of Empire Airlines, Inc., and the secretary of Pacific Alaska Airlines, Inc., and the persons subscribed in the foregoing instrument and acknowledged to me that they executed the same


IN WITNESS WHEREOF I have set my hand and affixed my official seal the day and year first above written.

  
Notary Public in and for the  
State of Idaho, residing in  
Hayden Lake, therein.

STATE OF IDAHO )  
County of Kootenai ) ss.

On this 30 day of September, 1989, before me, the undersigned notary public, personally appeared Robert Davis, known to me to be a director and officer of Empire Airlines, Inc., and a director and officer of Pacific Alaska Airlines, Inc., and the person subscribed in the foregoing instrument and acknowledged to me that he executed the same

IN WITNESS WHEREOF I have set my hand and affixed my official seal the day and year first above written.

  
Notary Public in and for the  
State of Idaho, residing in  
Hayden Lake, therein.

I, David B. Holloway, Secretary of Pacific Alaska Airlines, Inc., a corporation organized and existing under the laws of the State of Alaska hereby certify, as such secretary and under the seal of the said corporation, that the Agreement of Merger to which this certification is attached, after having been first duly signed on behalf of said corporation by the President and Secretary of Pacific Alaska Airlines, Inc.,, a corporation of the State of Alaska was duly submitted to the stockholder of Pacific Alaska Airlines, Inc., called and held separately from the meeting of stockholders of any other corporation, upon waiver of notice, signed by the stockholder for the purpose of considering and taking action upon said Agreement of Merger, that shares of stock of said corporation were on said date issued and outstanding and that the holder of 100,416 shares voted by ballot in favor of said Agreement of Merger, the said affirmative vote representing at least a majority of the total number of shares of the outstanding capitol stock of said corporation, and that thereby the Agreement of Merger was at said meeting duly adopted as the act of the stockholders of Pacific Alaska Airlines, Inc., and the duly adopted agreement of said corporation.

WITNESS my hand and seal of this corporation on this 30 day of September, 1989.

  
Secretary

I, David B. Holloway, Secretary of Empire Airlines, Inc., a corporation organized and existing under the laws of the State of Idaho hereby certify, as such secretary and under the seal of the said corporation, that the Agreement of Merger to which this certification is attached, after having been first duly signed on behalf of said corporation by the President and Secretary of Empire Airlines, Inc., a corporation of the State of Idaho was duly submitted to the board of directors Empire Airlines, Inc., called and held separately from the meeting of the board of directors of any other corporation, upon waiver of notice, signed by the board of directors for the purpose of considering and taking action upon said Agreement of Merger, that shares of stock of said corporation were on said date issued and outstanding and that the holder of 567,250 shares voted by ballot in favor of said Agreement of Merger, the said affirmative vote representing at least a majority of the total number of shares of the outstanding capitol stock of said corporation, and that thereby the Agreement of Merger was at said meeting duly adopted as the act of the board of directors of Empire Airlines, Inc., and the duly adopted agreement of said corporation.

WITNESS my hand and seal of this corporation on this 30<sup>th</sup> day of September, 1989.

  
Secretary

THE ABOVE AGREEMENT OF MERGER, having been executed by the President and Secretary and one additional officer of each corporate party thereto, and having been adopted separately by the stockholders of Pacific Alaska Airlines and the board of directors of Empire Airlines, Inc., in accordance with the provisions of the Laws of the State of Alaska and of the State of Idaho, and the fact having been certified on said Agreement of Merger by Secretary and one officer of each corporate party thereto do now hereby execute the said Agreement of Merger under the corporate seals of their respective corporations, by the authority of the directors and stockholders thereof, as the respective act, deed and agreement of each of said corporation, on the 30 day of September, 1989.

EMPIRE AIRLINES, INC.

Melvin E. Spelde  
Melvin Spelde, President

PACIFIC ALASKA AIRLINES, INC.

Melvin E. Spelde  
Melvin Spelde, President

David Holloway  
David Holloway, Secretary

L. L. Davis  
Officer

David Holloway  
David Holloway, Secretary

L. L. Davis  
Officer

STATE OF IDAHO )  
County of Kootenai ) ss.

On this 30 day of September, 1989, before me, the undersigned notary public, personally appeared Melvin Spelde, known to me to be the president of Empire Airlines, Inc., and the president of Pacific Alaska Airlines, Inc., and David Holloway, known to me to be the secretary of Empire Airlines, Inc., and the secretary of Pacific Alaska Airlines, Inc., and the persons subscribed in the foregoing instrument and acknowledged to me that they executed the same

IN WITNESS WHEREOF I have set my hand and affixed my official seal the day and year first above written.

[Signature]  
Notary Public in and for the  
State of Idaho, residing in  
Hayden Lake, therein.

STATE OF IDAHO )  
County of Kootenai ) ss.

On this 30 day of September, 1989, before me, the undersigned notary public, personally appeared Robert [unclear], known to me to be a director and officer of Empire Airlines, Inc., and a director and officer of Pacific Alaska Airlines, Inc., and the person subscribed in the foregoing instrument and acknowledged to me that he executed the same

IN WITNESS WHEREOF I have set my hand and affixed my official seal the day and year first above written.

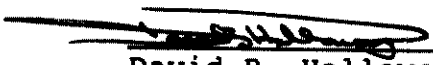
[Signature]  
Notary Public in and for the  
State of Idaho, residing in  
Hayden Lake, therein.

ATTACHMENT TO PLAN AND AGREEMENT OF MERGER BETWEEN

EMPIRE AIRLINES, INC.,

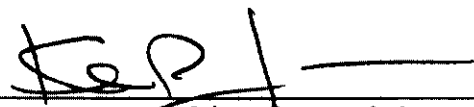
AND

PACIFIC ALASKA AIRLINES, INC.

  
David B. Holloway, Secretary  
Pacific Alaska Airlines, Inc.  
Empire Airlines, Inc.

STATE OF IDAHO            )  
                                  ) ss  
COUNTY OF KOOTENAI    )

I, KATHLEEN R. LAMMON, a notary public, do hereby  
certify that on this 11 day of October, 1989, personally  
appeared before me David B. Holloway, who, being by me first duly  
sworn, declared that he is the Secretary of Pacific Alaska  
Airlines, Inc., and Empire Airlines, Inc., that he signed the  
previously submitted corporate documents as Secretary of the  
corporation, and that the statements therein contained are true.

  
Notary Public for Idaho  
Residing at: Hayden Lake  
My Commission expires: 1-24-94