

McLean & Sanders  
A PROFESSIONAL CORPORATION  
ATTORNEYS

K34877

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-09/28/98--01130--004  
\*\*\*\*122.50 \*\*\*\*122.50

September 25, 1998

Secretary of State of Florida  
Division of Corporations  
P. O. Box 6327  
Tallahassee, FL 32314

VIA EXPRESS MAIL

EFFECTIVE DATE  
9/30/98

FILED  
98 SEP 28 AM 9:58  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

Re: Merger of Boutique Inns, Inc. formerly known as Hotels of Distinction, Inc., a  
Florida corporation, and Stockyards Hotel, Inc., formerly known as SYH, Inc., a  
Texas corporation

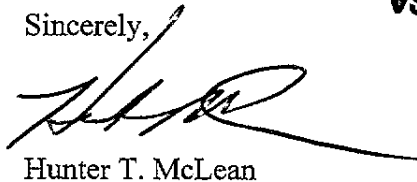
Dear Sir or Madam:

Enclosed please find the original and one copy of the Articles of Merger, with a copy of the Plan and Agreement of Merger attached, for the merger of the above referenced corporations, with Stockyards Hotel, Inc. being the surviving corporation. Also enclosed is our firm check in the amount of \$122.50 representing your filing and certification fees.

**Please file the Articles of Merger on or before September 30, 1998**, and return a certified copy to me at the above address. If there are any problems with the document, please call me collect.

Thank you for your assistance.

Sincerely,

  
Hunter T. McLean

VS OCT 6 1998

HTM:ell

Enclosures

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ARTICLES OF MERGER  
Merger Sheet

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MERGING:

BOUTIQUE INNS, INC., a Florida corporation, K34877

INTO

**STOCKYARDS HOTEL, INC.**, a Texas corporation not qualified in Florida

File date: September 28, 1998, effective September 30, 1998

Corporate Specialist: Velma Shepard

## ARTICLES OF MERGER

Pursuant to the provisions of Florida Stat. § 607.1104 and Texas Business Corporation Act Art. 5.16, the following corporations adopt the following Articles of Merger for the purpose of merging them into one of such corporations.

FILED

98 SEP 28 AM 9:54

SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

### ARTICLE I

EFFECTIVE DATE  
9/30/98

A Plan and Agreement of Merger was adopted in accordance with the provisions of Texas Business Corporation Act Art. 5.16 and Florida Stat. § 607.1104 providing for the combination of Stockyards Hotel, Inc. formerly known as SYH, Inc., a Texas corporation, and Boutique Inns, Inc. formerly known as Hotels of Distinction, Inc., a Florida corporation, and resulting in Stockyards Hotel, Inc. being the surviving corporation. Prior to the merger, Boutique Inns, Inc. owned 100 percent of the issued and outstanding stock of Stockyards Hotel, Inc. A copy of the Plan and Agreement of Merger is attached hereto as Exhibit "A" and incorporated herein by this reference as if set forth in full. Boutique Inns, Inc. approved the merger on September 14, 1998, pursuant to the Unanimous Consent attached hereto as Exhibit "B." BFX Holdings, Inc., the parent corporation of Boutique Inns, Inc. approved the merger on September 14, 1998, pursuant to the Unanimous Consent attached hereto as Exhibit "C."

### ARTICLE II

The name and address of each of the corporations and the laws under which such corporations were organized are:

<u>Name and Address</u> <u>Corporation</u>	<u>Type of Entity</u>	<u>State</u>
Stockyards Hotel, Inc. 226 Bailey Avenue, Suite 100 Fort Worth, TX 76107	Business Corporation	Texas Charter No. 1380526-00
Boutique Inns, Inc. 226 Bailey Avenue, Suite 100 Fort Worth, TX 76107	Business Corporation	Florida Corporation Document No. K34877.

### ARTICLE III

As to each of the corporations, the approval of whose shareholders is required, the number of outstanding shares of such corporation entitled to vote on the Plan of Merger are as follows:

<u>Name of Corporation</u>	<u>No. of Outstanding Shares</u>	<u>Designation of Class of *Series/No. of Shares Entitled to Vote as a Class or Series</u>
Stockyards Hotel, Inc.	100,000	Common
Boutique Inns, Inc.	100	Common

#### ARTICLE IV

As to each of the corporations, the approval of whose shareholders is required, the number of shares which voted for or against the Plan and Agreement of Merger, respectively, are as follows:

<u>Name of Corporation</u>	<u>Total Voted For</u>	<u>Total Voted Against</u>
Stockyards Hotel, Inc.	100%	0
Boutique Inns, Inc.	100%	0

#### ARTICLE V

The address of Stockyards Hotel, Inc., the surviving corporation, is 226 Bailey Avenue, Suite 101, Fort Worth, Texas 76107.

#### ARTICLE VI

As to each of the corporations, the Plan and Agreement of Merger and the performance of its terms were duly authorized by all action required by the laws under which it was incorporated or organized and by its constituent documents.

#### ARTICLE VII

The effective date of the merger is subject to the provisions of Texas Business Corporation Act Art. 5.16 and Florida Stat. 607.1101, and should be the close of business on September 30, 1998.

STOCKYARDS HOTEL, INC.

By:

  
Robert H. McLean, President

By:

  
Robert Korman, Secretary

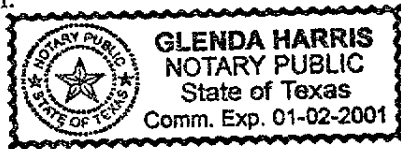
**BOUTIQUE INNS, INC.**

By: *Robert H. McLean*  
Robert H. McLean, President

By: *Robert Korman*  
Robert Korman, Secretary

THE STATE OF TEXAS    §  
COUNTY OF TARRANT   §

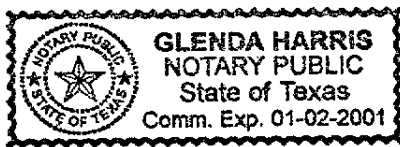
This instrument was acknowledged before me on the 25 day of September, 1998 by Robert H. McLean, President of Stockyards Hotel, Inc., a Texas corporation, on behalf of said corporation.



*Glenda Harris*  
Notary Public -- State of Texas

THE STATE OF TEXAS    §  
COUNTY OF TARRANT   §

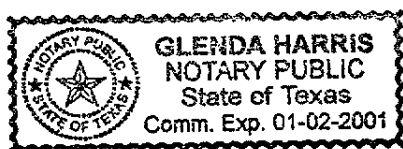
This instrument was acknowledged before me on the 25 day of September, 1998 by Robert Korman, Secretary of Stockyards Hotel, Inc., a Texas corporation, on behalf of said corporation.



*Glenda Harris*  
Notary Public -- State of Texas

THE STATE OF TEXAS    §  
COUNTY OF TARRANT   §

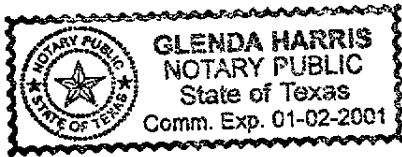
This instrument was acknowledged before me on the 25 day of September, 1998 by Robert H. McLean, President of Boutique Inns, Inc., a Florida corporation, on behalf of said corporation.



*Glenda Harris*  
Notary Public -- State of Texas

THE STATE OF TEXAS     §  
COUNTY OF TARRANT   §

This instrument was acknowledged before me on the 25 day of September, 1998  
by Robert Korman, Secretary of Boutique Inns, Inc., a Florida corporation, on behalf of said  
corporation.



*Glenda Harris*

\_\_\_\_\_  
Notary Public -- State of Texas

## **PLAN AND AGREEMENT OF MERGER**

PLAN AND AGREEMENT OF MERGER dated as of the 14th day of September, 1998 by and between STOCKYARDS HOTEL, INC., a Texas corporation ("Stockyards"), 226 Bailey Avenue, Suite 100, Fort Worth, Texas 76107 and BOUTIQUE INNS, INC., a Florida corporation formerly known as Hotels of Distinction, Inc. ("Boutique"), 226 Bailey Avenue, Suite 100, Fort Worth, Texas 76107.

### **WITNESSETH:**

WHEREAS, the parties hereto wish to provide for the merger of Boutique with and into Stockyards (which parties are hereinafter sometimes collectively called the "Constituent Corporations") and for the continuation by Stockyards (hereinafter sometimes called the "Surviving Corporation") of the business heretofore conducted by Boutique; and

WHEREAS, the Boards of Directors of Boutique and Stockyards desire to effect the aforesaid merger within the provisions of Sections 368(a)(1)(A) and 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended; and

WHEREAS, it is the opinion of the respective Boards of Directors of Boutique and Stockyards that it is advisable and for the best welfare and advantage of the Constituent Corporations and their respective stockholders that Boutique merge with and into Stockyards pursuant to this Agreement and the applicable provisions of the laws of the State of Texas and the State of Florida; and

WHEREAS, the Certificate of Incorporation of Boutique was filed in the Office of the Department of State of the State of Florida on September 28, 1988; and .

WHEREAS, Boutique is a corporation duly organized and existing under the laws of the

State of Florida and pursuant to its Certificate of Incorporation is authorized to issue a total of 1,000 shares of Common Stock, \$1.00 par value, of which 100 shares of the Common Stock were issued and outstanding as of the date hereof; and

WHEREAS, the Articles of Incorporation of Stockyards was filed in the Office of the Secretary of State of Texas on December 15, 1995; and

WHEREAS, Stockyards is a corporation duly organized and existing under the laws of the State of Texas, and pursuant to its Articles of Incorporation, as amended, is authorized to issue a total of 1,000,000 shares of Common Stock, \$.01 par value, of which 100,000 shares of the Common Stock were issued and outstanding as of the date hereof; and

WHEREAS, Boutique owns 100 percent of the issued and outstanding Common Stock of Stockyards; and

NOW, THEREFORE, for the purpose of effecting such merger and prescribing the terms and conditions thereof, the parties hereto agree, for and in consideration of the premises and of the mutual agreements, provisions, covenants and grants herein contained, and in accordance with the provisions of the Corporation Laws of the State of Florida and the State of Texas, that Boutique be merged with and into Stockyards, and that the terms and conditions of said merger, the mode of carrying the same into effect, and the manner and basis of converting and/or exchanging the shares of Common Stock of Boutique and Stockyards shall be as hereinafter set forth.

## **ARTICLE I**

### **GENERAL**

1.01. The Constituent Corporations, parties to this Plan and Agreement of Merger (hereinafter referred to as the "Agreement"), agree that upon the Merger Effective Date, as



defined in Section 1.05 herein, Boutique shall be merged with and into Stockyards, and the latter shall be the Surviving Corporation and shall be governed by the laws of the State of Texas.

1.02. Upon the Merger Effective Date, the separate existence of Boutique shall cease and Boutique shall be merged with and into the Surviving Corporation. The Surviving Corporation shall, from and after the Merger Effective Date, possess all the rights, privileges, powers, licenses and franchises of whatsoever nature and description, of a public as well as of a private nature, and be subject to all the restrictions, disabilities and duties of each of the Constituent Corporations; and all property, real, personal and mixed, including all intellectual property, and all debts due to either of the Constituent Corporations on whatever account, for stock subscriptions as well as all other choses in actions, or belonging to each of the Constituent Corporations, and every devise or bequest which either of the Constituent Corporations would have been capable of taking, shall be vested in the Surviving Corporation without further act or deed; and all property, rights, privileges, powers, licenses and franchises, and all and every other interest shall be thereafter as effectually the property of the Surviving Corporation as they were of the respective Constituent Corporations, and the title to any estate vested by deed or otherwise, in any of the Constituent Corporations, shall not revert or be in any way impaired by reason of such merger.

All rights of creditors and all liens upon the property of the Constituent Corporations shall be preserved unimpaired, and the respective Constituent Corporations may be deemed to continue in existence in order to preserve the same, and all debts, liabilities, duties and obligations (including liabilities and obligations, if any, to indemnify directors or officers) of the Constituent Corporations shall attach to the Surviving Corporation, and may be enforced against it to the same extent as if said debts, liabilities, duties and obligations had been incurred or

contracted by it. Any claims existing, or action or proceeding, whether civil, criminal or administrative, pending by or against either Constituent Corporation may be prosecuted to judgment or decree as if such merger had not taken place, or the Surviving Corporation may be substituted in such action or proceeding, and such judgment or decree against such Constituent Corporation shall constitute a lien upon the property of the Surviving Corporation or be binding upon the Surviving Corporation in accordance with its terms.

1.03. The Constituent Corporations each hereby agree that at any time, or from time to time, as and when requested by the Surviving Corporation, or by its successors and assigns, it will execute and deliver, or cause to be executed and delivered in its name by its last acting officers, or by the corresponding officers of the Surviving Corporation, all such conveyances, assignments, transfers, deeds, or other instruments, and will take or cause to be taken such further or other action as the Surviving Corporation, its successors or assigns may deem necessary or desirable in order to evidence the transfer, vesting or devolution of any property, right, privilege or franchise or to vest or perfect in or confirm to the Surviving Corporation, its successors and assigns, title to the possession of all the property, rights, privileges, powers, immunities and interests referred to in this Article I and otherwise to carry out the intent and purposes hereof.

1.04. Each of the Constituent Corporations shall take, or cause to be taken, all action or do, or cause to be done, all things necessary, proper or advisable under the laws of the State of Texas and the State of Florida to consummate and make effective the merger, subject, however, to the appropriate vote or consent of the respective stockholders of Boutique and Stockyards in accordance with the requirements of the applicable provisions of the Corporation Laws of the State of Florida and of the State of Texas.

1.05. Subject to the terms and conditions herein provided, as soon as practicable after

any necessary approval and consents by the respective stockholders of the Constituent Corporations, Articles of Merger or this Plan and Agreement of Merger shall be filed with the Secretary of the State of Florida in accordance with Florida Stat., § 607.1101, and with the Secretary of the State of Texas in accordance with Texas Business Corporation Act Art. 5.16. This Merger shall become effective for state law purposes at the close of business on the day (herein called the "Merger Effective Date") on which both of such filings have been completed.

## **ARTICLE II**

### **ARTICLES OF INCORPORATION OF THE SURVIVING CORPORATION**

2.01. On the Merger Effective Date, the Articles of Incorporation of Stockyards shall be and remain the Articles of Incorporation of the Surviving Corporation, until further amended.

2.02. On the Merger Effective Date, the Bylaws of Stockyards shall be and remain the Bylaws of the Surviving Corporation until altered, amended or repealed.

## **ARTICLE III**

### **EXCHANGE OR CANCELLATION OF STOCK**

3.01. In consideration for the exchange and - surrender of 100% of the issued and outstanding Common Stock \$1.00 par value of Boutique ("Boutique Stock"), BFX Holdings, Inc., the sole stockholder of Boutique, shall be entitled to receive in the aggregate 100,000 shares of Common Stock of Stockyards upon receipt by Stockyards of the certificates from Boutique representing the 100,000 shares of Common Stock of Stockyards issued to Boutique, such shares to be cancelled.

3.02. Upon the execution of this Agreement, each holder of an outstanding certificate or certificates representing Boutique Stock shall surrender the same to the Surviving Corporation, or

its designee, endorsed in blank, and each such holder shall be entitled upon such surrender to receive from the Surviving Corporation the consideration payable as set forth in Section 3.01 hereof, upon the Merger Effective Date. Until so surrendered, each such certificate which, prior to the Merger Effective Date represented shares of Boutique Stock, shall be deemed for all purposes to evidence solely the right to receive such consideration.

#### **ARTICLE IV**

##### **EMPLOYMENT ARRANGEMENTS**

4.01. The employees of Boutique shall, upon the Merger Effective Date, become the employees of the Surviving Corporation and shall continue to be entitled to benefits substantially equivalent to those which they enjoyed as employees of Boutique.

#### **ARTICLE V**

##### **OFFICERS AND DIRECTORS**

5.01. Effective upon the Merger Effective Date, the number of directors constituting the Board of Directors of the Surviving Corporation shall be one (1) and the individual to serve as director until his successor is duly elected or appointed is Robert H. McLean.

5.02. Effective upon the Merger Effective Date the officers of the Surviving Corporation shall be the following individuals, to serve in their respective capacities until their respective successors have been duly elected or approved:

Robert H. McLean - President

Robert Korman - Vice President, Secretary and Treasurer.

#### **ARTICLE VI**

##### **TERMINATION AND AMENDMENT**

6.01. This Agreement may be terminated at any time before completion of the

respective filings with the Department of State of Florida and the Secretary of the State of Texas referred to in Section 1.05 hereof, whether before or after approval hereof by the respective stockholders of the Constituent Corporations, by resolution of the respective Boards of Directors of the Constituent Corporations.

6.02. To the extent permitted by law, this Agreement may be amended, supplemented or interpreted at any time by action taken by the Boards of Directors of both Constituent Corporations, and in the case of an interpretation the action of such Boards of Directors shall be binding; provided, however, that this Agreement may not be amended with respect to the rate of exchange provided for in Section 3.01 hereof after the meeting of the respective stockholders of the Constituent Corporations called for the purpose of considering this Agreement.

## **ARTICLE VII**

### **SERVICE OF PROCESS**

7.01. The Surviving Corporation agrees that it may be served with process in the State of Texas in any proceeding for enforcement of any obligation of Boutique, as well as for enforcement of any obligation of the Surviving Corporation, and the Surviving Corporation irrevocably appoints the Secretary of the State of Texas as its agent to accept service of process in any such suit or other proceeding, and the address to which the Secretary of State shall mail a copy of such process is as follows:

226 Bailey Avenue, Suite 100  
Fort Worth, Texas 76107.

## **ARTICLE VIII**

### **MISCELLANEOUS**

8.01. Descriptive headings are for convenience only and shall not control or affect the

meaning or construction of any provision of this Agreement.

8.02. This Agreement may be executed in any number of counterparts or may be, where the same are not required, certified or otherwise delivered without the testimonium clause and signatures; each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

IN WITNESS WHEREOF, the Constituent Corporations have caused this Plan and Agreement of Merger to be executed on their behalf in accordance with the laws of their respective states of incorporation.

**BOUTIQUE INNS, INC.,**

A Florida Corporation

By: 

Robert H. McLean, President

**STOCKYARDS HOTEL, INC.,**

A Texas Corporation

By: 

Robert H. McLean, President

**BOUTIQUE INNS, INC.**

**UNANIMOUS WRITTEN CONSENT OF DIRECTORS  
IN LIEU OF MEETING**

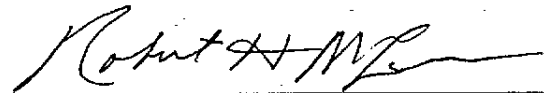
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September 14, 1998

The undersigned, being the sole Director of Boutique Inns, Inc., a Florida Corporation (the "Company"), hereby waives notice of meeting, consents to the taking of each action set forth below as if an actual meeting of the Directors had been held on the above date; and instructs the Secretary of the Company to file this written consent in the Minute Book of the Company. Each of the following actions shall constitute the valid corporate action of the sole Director of the Company and shall have the same force and effect as if such actions had been authorized and taken at a formal meeting of the Directors duly convened and held on the above date as if all Directors were present in person at such meeting and unanimously voted in favor thereof:

**RESOLVED**, that the Company merge with Stockyards Hotel, Inc., a Texas Corporation ("Stockyards"), with Stockyards being the surviving corporation, pursuant to the Plan and Agreement of Merger and Articles of Merger attached hereto as Exhibit "A;" and

**FURTHER RESOLVED**, that the President and Secretary of the Company are authorized and directed to execute and deliver such documents as the President and Secretary deem necessary and appropriate to effectuate the merger of the Company with Stockyards, and the execution and delivery of such documents shall be conclusive evidence the President and Secretary deemed them necessary and appropriate.



Robert H. McLean, Sole Director

**BFX HOLDINGS, INC.**

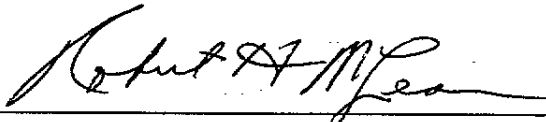
**UNANIMOUS WRITTEN CONSENT OF  
SHAREHOLDERS AND DIRECTORS  
IN LIEU OF MEETING**

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September 14, 1998

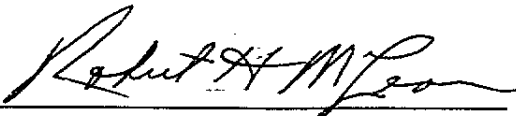
The undersigned, being the sole Director of BFX Holdings, Inc., a Nevada Corporation (the "Company") and the sole shareholder of Boutique Inns, Inc., a Florida corporation, hereby waives notice of meeting, consents to the taking of each action set forth below as if an actual meeting of the Shareholders and Directors had been held on the above date; and instructs the Secretary of the Company to file this written consent in the Minute Book of the Company. Each of the following actions shall constitute the valid corporate action of the sole Shareholder and the sole Director of the Company and shall have the same force and effect as if such actions had been authorized and taken at a formal meeting of the Shareholders and Directors duly convened and held on the above date as if all Shareholders and Directors were present in person at such meeting and unanimously voted in favor thereof:

**RESOLVED**, that the Company approve the merger of its wholly owned subsidiary, Boutique Inns, Inc., a Florida Corporation, with Stockyards Hotel, Inc., a Texas corporation ("Stockyards"), with Stockyards being the surviving corporation, pursuant to the Plan and Agreement of Merger and Articles of Merger attached hereto as Exhibit "A."



Robert H. McLean, Sole Director of  
BFX Holdings, Inc.

BFX HOLDINGS, INC., a Nevada corporation,  
Sole Shareholder of Boutique Inns, Inc., a Florida  
corporation

By: 

Robert H. McLean, President