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ID Number:

164594



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Office of the Secretary of State
Corporations Division
148 W. River Street
Providence, Rhode Island 02904-2615

FILED

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By AMF

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ARTICLES OF MERGER OR CONSOLIDATION INTO

EEG, Inc.

(Insert full name of surviving or new entity on this line.)

SECTION I: TO BE COMPLETED BY ALL MERGING OR CONSOLIDATING ENTITIES

Pursuant to the applicable provisions of the General Laws of Rhode Island, 1956, as amended, the undersigned entities submit the following Articles of ☒ Merger or ☐ Consolidation (**check one box only**) for the purpose of merging or consolidating them into one entity.

- a. The name and type (for example, business corporation, non-profit corporation, limited liability company, limited partnership, etc.) of each of the merging or consolidating entities and the state under which each is organized are:

Name of entity	Type of entity	State under which entity is organized
See Appendix A		
EEG, Inc.	Corporation	Delaware

- b. The laws of the state under which each entity is organized permit such merger or consolidation.

- c. The full name of the surviving or new entity is EEG, Inc.
which is to be governed by the laws of the state of Delaware

- d. The attached Plan of Merger or Consolidation was duly authorized, approved, and executed by each entity in the manner prescribed by the laws of the state under which each entity is organized. (**Attach Plan of Merger or Consolidation**)

- e. If the surviving entity's name has been amended via the merger, please state the new name:

N/A

- f. If the surviving or new entity is to be governed by the laws of a state other than the State of Rhode Island, and such surviving or new entity is not qualified to conduct business in the state of Rhode Island, the entity agrees that it: (i) may be served with process in Rhode Island in any proceeding for the enforcement of any obligation of any domestic entity which is a party to the merger or consolidation; (ii) irrevocably appoints the Secretary of State as its agent to accept service of process in any action, suit, or proceeding; and (iii) the address to which a copy of such process of service shall be mailed to it by the Secretary of State is:

N/A (EEG, Inc. is qualified to do business in Rhode Island)

- g. These Articles of Merger or Consolidation shall be effective upon filing unless a specified date is provided which shall be no later than the 90th day after the date of this filing N/A

SECTION II: TO BE COMPLETED ONLY IF ONE OR MORE OF THE MERGING OR CONSOLIDATING ENTITIES IS A BUSINESS CORPORATION PURSUANT TO TITLE 7, CHAPTER 1.2 OF THE RHODE ISLAND GENERAL LAWS, AS AMENDED.

- a. If the surviving or new entity is to be governed by the laws of a state other than the State of Rhode Island, such surviving or new entity hereby agrees that it will promptly pay to the dissenting shareholders of any domestic corporation the amount, if any, to which they shall be entitled under the provisions of Title 7, Chapter 1.2 of the General Laws of Rhode Island, 1956, as amended, with respect to dissenting shareholders.

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SECRETARY OF STATE

- b. Complete the following subparagraphs i and ii only if the merging business corporation is a subsidiary corporation of the surviving corporation.

- i) The name of the subsidiary corporation is EEG, Inc. is the sole shareholder of each merging corporation identified on Appendix A
- ii) A copy of the plan of merger was mailed to shareholders of the subsidiary corporation (such date shall not be less than 30 days from the date of filing) May 30, 2008

- c. As required by Section 7-1.2-1003 of the General Laws, the corporation has paid all fees and franchise taxes.

.....

SECTION III: TO BE COMPLETED ONLY IF ONE OR MORE OF THE MERGING OR CONSOLIDATING ENTITIES IS A NON-PROFIT CORPORATION PURSUANT TO TITLE 7, CHAPTER 8 OF THE RHODE ISLAND GENERAL LAWS, AS AMENDED.

- a. If the members of any merging or consolidating non-profit corporation are entitled to vote thereon, attach a statement for each such non-profit corporation which sets forth the date of the meeting of members at which the Plan of Merger or Consolidation was adopted, that a quorum was present at the meeting, and that the plan received at least a majority of the votes which members present at the meeting or represented by proxy were entitled to cast; OR attach a statement for each such non-profit corporation which states that the plan was adopted by a consent in writing signed by all members entitled to vote with respect thereto.
- b. If any merging or consolidating corporation has no members, or no members entitled to vote thereon, then as to each such non-profit corporation attach a statement which states the date of the meeting of the board of directors at which the plan was adopted, and a statement of the fact that the plan received the vote of a majority of the directors in office.

.....

SECTION IV: TO BE COMPLETED ONLY IF ONE OR MORE OF THE MERGING OR CONSOLIDATING ENTITIES IS A LIMITED PARTNERSHIP PURSUANT TO TITLE 7, CHAPTER 13 OF THE RHODE ISLAND GENERAL LAWS, AS AMENDED

- a. The agreement of merger or consolidation is on file at the place of business of the surviving or resulting domestic limited partnership or other business entity and the address thereof is:
- _____
- b. A copy of the agreement of merger or consolidation will be furnished by the surviving or resulting domestic limited partnership or other business entity, on request and without cost, to any partner of any domestic limited partnership or any person holding an interest in any other business entity which is to merge or consolidate.

.....

SECTION V: TO BE COMPLETED BY ALL MERGING OR CONSOLIDATING ENTITIES

Under penalty of perjury, we declare and affirm that we have examined these Articles of Merger or Consolidation, including any accompanying attachments, and that all statements contained herein are true and correct.

EEG, Inc.

Print Entity Name

By: _____

Name of person signing

Title of person signing

By: _____

Name of person signing

Title of person signing

See Appendix A

Print Entity Name

By: _____

Name of person signing

President of each of the entities listed on Appendix A

Title of person signing

By: _____

Name of person signing

Title of person signing

Articles of Merger
Appendix A

<u>Exact Name</u>	<u>Jurisdiction</u>	<u>Type of Entity</u>
Mary Lentine School of Hair Design, Inc.	Massachusetts	Corporation
Melrose Beauty Academy, Inc.	Massachusetts	Corporation
Bernett-Anthony Beauty Corporation	New Jersey	Corporation
Concorde School of Hair Design, Inc.	New Jersey	Corporation
European Academy of Cosmetology, Inc.	New Jersey	Corporation
Hair Design, Inc.	Kentucky	Corporation
School of Hair Design, Inc.	Kentucky	Corporation
Radcliff Hair Design School, Inc.	Kentucky	Corporation
Scot-Lewis School - Crystal, Inc.	Minnesota	Corporation
Accredited School of Cosmetology, Inc.	Minnesota	Corporation
Martin's School of Hair Design of Oshkosh, Ltd.	Wisconsin	Corporation
Martin's Management Associates, Inc.	Wisconsin	Corporation
Martin's School of Hair Design of Manitowoc, Ltd.	Wisconsin	Corporation
First Par Management Corp.	Rhode Island	Corporation
Warwick Academy of Beauty Culture, Inc.	Rhode Island	Corporation
Lee Grubbs, Inc.	Indiana	Corporation
Chic Schools, Inc.	Michigan	Corporation
Wheat Ridge Beauty College, Inc.	Colorado	Corporation
Artistic Enterprises, Inc.	Arizona	Corporation

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15920

AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER, is made among EEG, Inc., a Delaware corporation ("EEG") and each of the corporations that are signatories hereto and are listed on Schedule A hereto (each a "Subsidiary" and collectively the "Subsidiaries", and together with EEG, sometimes referred to herein as the "Constituent Entities") and is entered into as of the 30th day of June, 2008 (the "Agreement").

RECITALS

WHEREAS, EEG is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware; and

WHEREAS, each Subsidiary is a corporation, duly incorporated, validly existing and in good standing under the laws of the state of its formation ("Applicable States"), as set forth on Schedule A hereto; and

WHEREAS, EEG owns directly all of the outstanding shares of capital stock of each Subsidiary; and

WHEREAS, to the extent applicable, the Board of Directors of EEG, the stockholders of EEG and the Board of Directors of each Subsidiary have approved this Agreement, have deemed this Agreement to be advisable and have approved the merger of the Subsidiaries with and into EEG (the "Merger") in accordance with the terms of this Agreement, the applicable provisions of the General Corporation Law of the State of Delaware ("DGCL") and the applicable corporation laws of the Applicable States ("Applicable State Laws"), as contemplated hereby; and

WHEREAS, for federal income tax purposes, it is intended that the Merger shall qualify as a reorganization under the provisions of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code") and that this Agreement shall constitute a "plan of reorganization" for purposes of Sections 354 and 361 of the Code.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth herein, the parties hereto agree as follows:

ARTICLE I THE MERGER

Section 1.1 *The Merger*. Upon the terms and subject to the conditions of this Agreement and in accordance with the DGCL and the Applicable State Laws, at each Subsidiary's Merger Effective Time (as defined in Section 1.2 hereof), (a) such Subsidiary shall be merged with and into EEG, (b) the separate existence of such Subsidiary shall cease and EEG shall continue as the surviving entity (sometimes hereinafter referred to as the "Surviving Entity"), (c) all the rights, privileges, immunities, powers and franchises of such Subsidiary shall vest in the Surviving Entity and (d) the

liabilities of such Subsidiary shall be the obligations, duties, debts and liabilities of the Surviving Entity.

Section 1.2 *Closing; Effective Time.* The closing of the Merger (the "Closing") will take place at the offices of EEG in Pottsville, Pennsylvania on such date as agreed by EEG and the Subsidiaries. In connection with the Closing, each Subsidiary and EEG will cause Articles of Merger, a Certificate of Merger, or such other certificates, instruments and documents as may be required by the Applicable State Laws to be executed and filed with the Delaware Secretary of State and with the Secretary of State or other applicable offices of the Applicable States, in such forms as required by the DGCL and the Applicable State Laws. The merger of each Subsidiary with and into EEG shall be effective at such Subsidiary's Merger Effective Time. As used herein, the term "Merger Effective Time", means, with respect to each Subsidiary, the date and time upon which the merger of such Subsidiary with and into EEG becomes effective pursuant to the laws of the State of Delaware and the laws of the state of such Subsidiary's formation. As used herein, the term "Initial Effective Time" means the Merger Effective Time of the first Subsidiary to merge with and into EEG pursuant to the terms of this Agreement.

Section 1.3 *Certificate of Incorporation; By-laws.* The Certificate of Incorporation of EEG, as in effect immediately prior to the Initial Effective Time, shall be the Certificate of Incorporation of the Surviving Entity until thereafter amended in accordance with its terms or by applicable law. The By-Laws of EEG, as in effect immediately prior to the Initial Effective Time, shall be the By-Laws of the Surviving Entity until thereafter amended in accordance with their terms or by applicable law.

Section 1.4 *Directors and Officers of the Surviving Entity.*

(a) The members of the Board of Directors of EEG immediately prior to the Initial Effective Time shall be the members of the Board of Directors of the Surviving Entity, and each shall hold office until his or her respective successor shall have been duly elected or appointed or until his or her earlier death, resignation or removal.

(b) The officers of EEG immediately prior to the Initial Effective Time shall be the officers of the Surviving Entity, and each shall hold office until his or her respective successor shall have been duly elected or appointed or until his or her earlier death, resignation or removal.

Section 1.5 *Tax Treatment of the Merger.* EEG and each of the Subsidiaries agree to treat and report the Merger as a reorganization under the provisions of Section 368(a) of the Code and shall not take any action that would, or is reasonably likely to, prevent or impede the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

ARTICLE II

EFFECT OF MERGER AND CANCELLATION OF SHARES

At each Subsidiary's Merger Effective Time, by virtue of the merger of such Subsidiary with and into EEG, and without any additional action on the part of any shareholder or party hereto (i) each share of capital stock of such Subsidiary outstanding immediately prior to such Subsidiary's Merger

Effective Time will be canceled and will cease to exist, and (ii) each share of capital stock of EEG outstanding immediately prior to such Subsidiary's Merger Effective Time will remain outstanding and will be unaffected by this Merger.

ARTICLE III AMENDMENT AND TERMINATION

Section 3.1 *Amendment.* This Agreement may be amended by the Constituent Entities, to the fullest extent permitted by law, by an amendment duly executed by the parties hereto at any time prior to the Initial Effective Time.

Section 3.2 *Termination.* At any time prior to the Initial Effective Time, this Agreement may be terminated and the Merger abandoned by agreement of the Constituent Entities. If terminated as provided in this Section 3.2, this Agreement shall forthwith become wholly void and of no further force or effect.

ARTICLE IV MISCELLANEOUS

Section 4.1 *Fees and Expenses.* Whether or not the Merger is consummated, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by EEG.

Section 4.2 *Amendment.* This Agreement may not be amended, supplemented or modified except by an instrument in writing signed on behalf of each of the parties hereto.

Section 4.3 *Headings.* The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 4.4 *Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which shall be considered one and the same agreement.

Section 4.5 *Entire Agreement.* This Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings (written and oral), among the parties with respect to the subject matter hereof.

Section 4.6 *Parties in Interest.* This Agreement shall be binding upon and inure solely to the benefit of each party hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement.

Section 4.7 *Severability.* If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or

against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

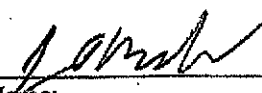
Section 4.8 *Governing Law*. This Agreement shall be governed and construed in accordance with the laws of the State of Delaware without giving effect to the principles of conflicts of law thereof.

Section 4.9 *Assignment*. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the parties hereto without the prior written consent of the other party.

[signature pages follow]

IN WITNESS WHEREOF, EEG and each of the Subsidiaries have caused this Agreement to be signed by their respective officers hereunto duly authorized as of the date first written above.

EEG, INC.

By: 
Name:
Title:

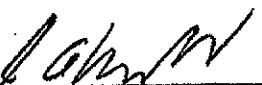
MARY LENTINE SCHOOL OF HAIR
DESIGN, INC.

By: 
Name:
Title:

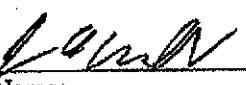
MELROSE BEAUTY ACADEMY, INC.

By: 
Name:
Title:

BERNETT-ANTHONY BEAUTY
CORPORATION

By: 
Name:
Title:

CONCORDE SCHOOL OF HAIR
DESIGN, INC.

By: 
Name:
Title:

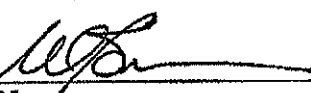
EUROPEAN ACADEMY OF
COSMETOLOGY, INC.

By: 
Name:
Title:

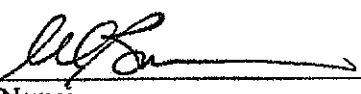
HAIR DESIGN, INC.

By: 
Name:
Title:

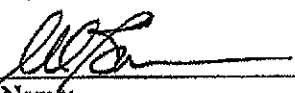
SCHOOL OF HAIR DESIGN, INC.

By: 
Name:
Title:

RADCLIFF HAIR DESIGN SCHOOL,
INC.

By: 
Name:
Title:

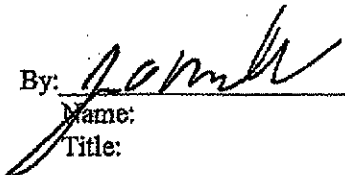
SCOT-LEWIS SCHOOL - CRYSTAL, INC.

By: 
Name:
Title:

MARTIN'S SCHOOL OF HAIR DESIGN
OF OSHKOSH, LTD.

By: 
Name:
Title:

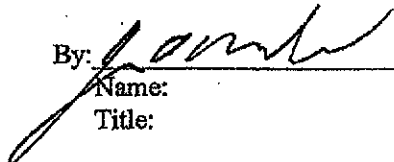
MARTIN'S MANAGEMENT
ASSOCIATES, INC.

By: 

Name:

Title:

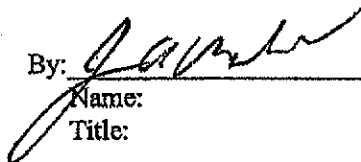
MARTIN'S SCHOOL OF HAIR DESIGN
OF MANITOWOC, LTD.

By: 

Name:

Title:

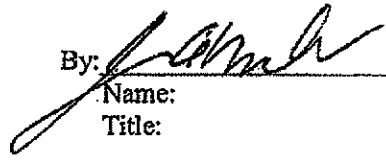
FIRST PAR MANAGEMENT CORP.

By: 

Name:

Title:

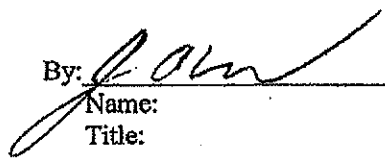
WARWICK ACADEMY OF BEAUTY
CULTURE, INC.

By: 

Name:

Title:

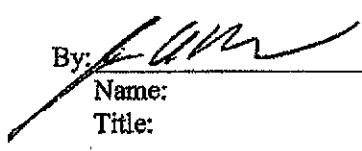
LEE GRUBBS, INC.

By: 

Name:

Title:

CHIC SCHOOLS, INC.

By: 

Name:

Title:

WHEAT RIDGE BEAUTY COLLEGE,
INC.

By: 
Name:
Title:

ARTISTIC ENTERPRISES, INC.

By: 
Name:
Title:

ACCREDITED SCHOOL OF
COSMETOLOGY, INC.

By: 
Name:
Title:

Schedule A

Subsidiaries

Mary Lentine School of Hair Design, Inc., a Massachusetts corporation
Melrose Beauty Academy, Inc., a Massachusetts corporation
Bernett-Anthony Beauty Corporation, a New Jersey corporation
Concorde School of Hair Design, Inc., a New Jersey corporation
European Academy of Cosmetology, Inc., a New Jersey corporation
Hair Design, Inc., a Kentucky corporation
School of Hair Design, Inc., a Kentucky corporation
Radcliff Hair Design School, Inc., a Kentucky corporation
Scot-Lewis School - Crystal, Inc., a Minnesota corporation
Martin's School of Hair Design of Oshkosh, Ltd., a Wisconsin close corporation
Martin's Management Associates, Inc., a Wisconsin close corporation
Martin's School of Hair Design of Manitowoc, Ltd., a Wisconsin close corporation
First Par Management Corp., a Rhode Island corporation
Warwick Academy of Beauty Culture, Inc., a Rhode Island corporation
Lee Grubbs, Inc., an Indiana corporation
Chic Schools, Inc., a Michigan corporation
Wheat Ridge Beauty College, Inc., a Colorado corporation
Artistic Enterprises, Inc., an Arizona corporation
Accredited School of Cosmetology, Inc., a Minnesota corporation



State of Rhode Island and Providence Plantations

A. Ralph Mollis

Secretary of State

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

I, A. RALPH MOLLIS, Secretary of State of the State of Rhode Island
and Providence Plantations, hereby certify that this document, duly
executed in accordance with the provisions of Title 7 of the General Laws
of Rhode Island, as amended, has been filed in this office on this day:

A handwritten signature in black ink that reads "A. Ralph Mollis".

A. RALPH MOLLIS

Secretary of State

