



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Office of the Secretary of State
 Corporations Division
 100 North Main Street
 Providence, Rhode Island 02903-1335

**ARTICLES OF MERGER OR CONSOLIDATION INTO
 (To Be Filed In Duplicate Original)**

Inn at Cliff Walk, 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 Rhode Island General Laws, 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 states under which each is organized are:

<u>Name of entity</u>	<u>Type of entity</u>	<u>State under which entity is organized</u>
<u>Inn at Cliff Walk, Inc.</u>	<u>Business Corporation</u>	<u>Rhode Island</u>
<u>Nicholas, Inc. 16646</u>	<u>Business Corporation</u>	<u>Rhode Island</u>

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 Inn at Cliff Walk, Inc.
 which is to be governed by the laws of the state of Rhode Island

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:

f. If the surviving or new entity is to be governed by the laws of a state other than 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 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; it irrevocably appoints the Secretary of State as its agent to accept service of process in any action, suit, or proceeding; and the address to which a copy of such process of service shall be mailed to it by the Secretary of State is:

g. The future effective date (which shall be a date or time certain no more than thirty (30) days after the filing of the Articles of Merger or, in the case of a subsidiary merger, on or after the 30th day after the mailing of a copy of the agreement of merger to the shareholders of the subsidiary corporation) of the merger or consolidation is (if upon filing, so state) **immediately upon filing.**

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 1.1 OF THE RHODE ISLAND GENERAL LAWS, AS AMENDED.

a. If one or more of the merging or consolidating entities is a business corporation (except one whose shareholders are not required to approve the agreement under Section 7-1.1-67, or does not require shareholder approval pursuant to the laws of the state under which the corporation is organized, in which event that fact shall be set forth), state below as to each business corporation, the total number of shares outstanding entitled to vote on the Plan of Merger or Consolidation, respectively, and, if the shares

of any class are entitled to vote on the plan as a class, state below the designation and number of outstanding shares of each class:

Name of Business Corporation	Total Number of Shares Outstanding	Entitled to Vote as a Class	
		Designation of Class	Number of Shares
Inn At Cliff Walk, Inc.	1000		
Nicholas, Inc.	100		

b. If one or more of the merging or consolidating entities is a business corporation (except one whose shareholders are not required to approve the agreement under Section 7-1.1-67, or does not require shareholder approval pursuant to the laws of the state under which the corporation is organized, in which event that fact shall be set forth), state below as to each business corporation, the total number of shares voted for and against such plan, respectively, and as to each class entitled to vote thereon as a class, state the number of shares of each class voted for and against the plan, respectively.

Name of Business Corporation	Total Voted For	Total Voted Against	Entitled to Vote as a Class		
			Class	Voted For	Voted Against
Inn At Cliff Walk, Inc.	1000	0			
Nicholas, Inc.	100	0			

c. If the surviving or new entity is to be governed by the laws of a state other than Rhode Island, such surviving or new entity hereby agrees that it will promptly pay to the dissenting shareholders of any domestic entity the amount, if any, to which they shall be entitled under the provisions of Title 7, Chapter 1.1 of the General Laws of Rhode Island, 1956, as amended, with respect to dissenting shareholders.

d. Complete the following subparagraphs i, ii, and iii only if the merging business corporation is a subsidiary corporation of the surviving corporation.

- i) The name of the subsidiary _____
- ii) State below the number of outstanding shares of each class of the subsidiary corporation and the number of the shares of each class of the subsidiary corporation owned by the surviving corporation.

Number of Shares Outstanding of the Subsidiary Corporation	Designation of Class	Number of Shares of Subsidiary Corporation Owned by Surviving Corporation	Designation of Class

iii) A copy of the plan of merger was mailed to shareholders of the subsidiary corporation on _____

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 6 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.

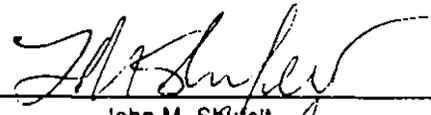
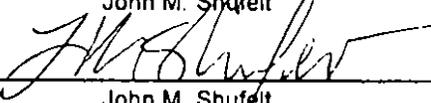
SECTION IV: TO BE COMPLETED ONLY IF ONE OR MORE OF THE MERGING OR CONSOLIDATING ENTITIES IS A LIMITED PARTNERSHIP PURSUANT TO TITLE 7, CHAPTER 13 OF THE RHODE ISLAND GENERAL LAWS, AS AMENDED

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

Inn at Cliff Walk, Inc.

By:  Print Entity Name _____
John M. Shufelt _____ **President** _____
Title of person signing _____
By:  _____
John M. Shufelt _____ **Secretary** _____
Title of person signing _____

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Newport, on this 2ND day of June, 2000, before me personally appeared John M. Shufelt who, being duly sworn, declared that he is the President and Secretary of the above-named entity and that he signed the foregoing document as such authorized agent, and that the statements herein contained are true.

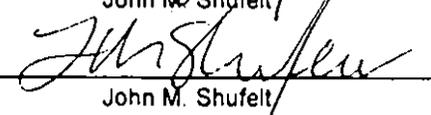
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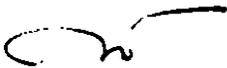

Notary Public Turner C. Scott
My Commission Expires: 6/23/01

Nicholas, Inc.

By:  Print Entity Name _____
John M. Shufelt _____ **President** _____
Title of person signing _____
By:  _____
John M. Shufelt _____ **Secretary** _____
Title of person signing _____

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Newport, on this 2ND day of June, 2000, before me personally appeared John M. Shufelt who, being duly sworn, declared that he is the President and Secretary of the above-named entity and that he signed the foregoing document as such authorized agent, and that the statements herein contained are true.


Notary Public Turner C. Scott
My Commission Expires: 6/23/01

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger dated as of the 2nd day of June, 2000 (the "Merger Agreement"), by and between Nicholas, Inc., a Rhode Island corporation, and Inn at Cliff Walk, Inc.

RECITALS

WHEREAS, the outstanding common stock of both Nicholas, Inc. and Inn at Cliff Walk, Inc. are owned by John M. Shufelt and Jean E. Shufelt;

WHEREAS, the Officers and Shareholders desire to merge Nicholas, Inc. and Inn at Cliff Walk, Inc. into a resulting corporation of Inn at Cliff Walk, Inc.

NOW THEREFORE, in consideration of the mutual agreements and covenants herein set forth, Nicholas, Inc. and Inn at Cliff Walk, Inc. hereby agree as follows:

I. MERGER

1.1 **Merger.** In accordance with the provisions of the Rhode Island Business Corporation Act and specifically Section 7-1.1-68.1, GLRI, on June 2, 2000 (the "Effective Date") and after the filing of duplicate originals of the Articles of Merger together with a copy of this Agreement and Plan of Merger with the Secretary of State of the State of Rhode Island, Nicholas, Inc. shall be merged with and into and Inn at Cliff Walk, Inc., and the separate existence of Nicholas, Inc. will cease, and Inn at Cliff Walk, Inc. shall be the corporation surviving the Merger.

1.2 **Effect of Merger.** Upon the Effective Date of the Merger, the separate existence of Nicholas, Inc. shall cease, and Inn at Cliff Walk, Inc. as the surviving corporation: (i) shall continue to own and possess all of the assets, rights, powers and properties that it owned immediately prior to the Merger; (ii) shall be subject to all actions previously taken by the Officers and Directors of Nicholas, Inc.; (iii) shall succeed, without other transfer, to all of the assets, rights, powers and property of Nicholas, Inc. as provided under the applicable provisions of

the Rhode Island Business Corporation Act; (iv) shall continue to be subject to all of its debts, liabilities and obligations as it had immediately prior to the Merger; and (v) shall succeed without other transfer to all of the debts, liabilities and obligations of Nicholas, Inc. in the same manner as if Inn at Cliff Walk, Inc. had itself incurred them, as provided under the applicable provisions of the Rhode Island Business Corporation Act. Neither the rights of creditors nor any liens upon the property of any of the corporations party hereto shall be impaired by the Merger.

II. CHARTER OF DOCUMENTS

2.1 **Articles of Incorporation.** On Effective Date of the Merger, the Articles of Incorporation of Inn at Cliff Walk, Inc. shall be the Articles of Incorporation of the surviving corporation, until further amended as provided by law.

2.2 **By-Laws.** On the Effective Date of the Merger, the By-Laws of Inn at Cliff Walk, Inc. shall be the By-Laws of the surviving corporation, until the same shall be altered, amended, or repealed, or until new By-Laws shall be adopted in accordance with the provisions thereof.

III. GENERAL

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

deliver any and all such deeds or other instruments as may be required to carry out the purposes of this Agreement.

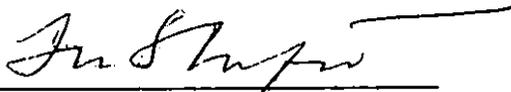
3.2 **Abandonment.** At any time before the Effective date of the Merger, this Agreement may be terminated and the Merger may be abandoned for any reason whatsoever by the Officers of Inn at Cliff Walk, Inc.

3.3 **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 Rhode Island and, so far as applicable, the merger provisions of the Rhode Island Business Corporation Act.

IN WITNESS WHEREOF, Nicholas, Inc. and Inn at Cliff Walk, Inc. have caused their corporate names and seals to be heretofore affixed by their duly authorized officers on the day and year indicated above.

Attest:

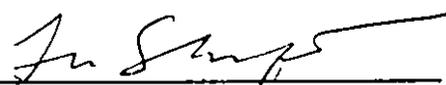
Nicholas, Inc.


_____

By: John M. Shufelt
Its President

Attest:

Inn at Cliff Walk, Inc.


_____

By: John M. Shufelt
Its President



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration
DIVISION OF TAXATION
One Capitol Hill
Providence, RI 02908-5800

September 15, 2000

TO WHOM IT MAY CONCERN:

Re: **NICHOLAS, INC.**

It appears from our records that the above named corporation has filed all the required Business Corporation Tax Returns due to be filed and paid all taxes indicated thereon and is in good standing with this Division as of this date regarding any liability under the Rhode Island Business Corporation Tax Law.

This letter is issued pursuant to the request of the above named corporation for the purpose of:

A MERGER – CORPORATION IS THE NONSURVIVOR

Very truly yours,

R. Gary Clark
Tax Administrator

Edward J. Flanagan, Jr.
Chief Revenue Agent
Corporations