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ID Number: 1869



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

DEC 26 2006

By [Signature] 1210919

ARTICLES OF MERGER OR CONSOLIDATION INTO
BAILEY'S MOTOR SALES, 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 [X] 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:

Table with 3 columns: Name of entity, Type of entity, State under which entity is organized. Rows include Bailey's Motor Sales, Inc. and Kingstown Dodge, Inc.

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 Bailey's Motor Sales, 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: 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

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 December 31, 2006.

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. N/A

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 N/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) N/A

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 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

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.

Bailey's Motor Sales, Inc.
Print Entity Name

By: Maureen Bailey, President
Name of person signing, Title of person signing

Kingstown Dodge, Inc.
Print Entity Name

By: Maureen Bailey, President
Name of person signing, Title of person signing

AGREEMENT OF MERGER

This agreement of merger made and entered into on and as of this 21st day of December, 2006 (referred to herein as the agreement), between KINGSTOWN DODGE, INC., a corporation duly organized and existing under the laws of Rhode Island (called herein "KINGSTOWN"), and BAILEY'S MOTOR SALES, INC., a corporation duly organized and existing under the laws of Rhode Island (called herein "BAILEY"),

Witnesseth that:

Whereas:

The principal office of KINGSTOWN is in North Kingstown, Rhode Island at 6600 Post Road.

The principal office of BAILEY is in North Kingstown, Rhode Island at 425 Ten Rod Road.

KINGSTOWN has an authorized capital stock of 600 shares of common stock, no par value, of which 200 shares are issued and outstanding, all of which 200 shares are held by Maureen Bailey.

BAILEY has an authorized capital stock of 100 shares of common stock, no par value, of which 100 shares are issued and outstanding, all of which 100 shares are held by Maureen Bailey.

The business purposes for which both corporate parties are organized are substantially similar; and

The boards of directors of both corporate parties deem it desirable and for the general welfare of the corporations and of the stockholders of each corporation that the corporations merge under the provisions of Title 7, Section 7-1.2-1001 of Rhode Island General Laws, 1956, as amended and each corporation has directed that this agreement be submitted to the corporations' stockholders and board of directors at a meeting called to be held on the 15th day of December, 2006, or any adjournments thereof for the purpose of considering and voting on the proposal for such merger.

It is, now, therefore, in consideration of the premises and of the mutual agreements herein contained, agreed that in accordance with the provisions of said statute KINGSTOWN shall be and hereby is, at December 31, 2006, the effective date of this agreement, merged into BAILEY, which shall be the surviving corporation, and that the terms and conditions of such merger, the mode of carrying it into effect, the manner of converting the stock of each into stock of the surviving corporation, and other provisions deemed necessary and proper to the purposes of said merger, shall be as hereinafter set forth:

ARTICLE I

1. The names of the corporations affected by the merger are:

KINGSTOWN DODGE, INC., a corporation duly organized under the laws of Rhode Island on May 27, 1977 and existing with its principal office at 6600 Post Road, No. Kingstown, Rhode Island, 02852; and BAILEY'S MOTOR SALES, INC., a corporation duly organized under the laws of Rhode Island on January 1, 1965, and existing with its principal office at 425 Ten Rod Road, No. Kingstown, Rhode Island, 02852.

2. KINGSTOWN and BAILEY agree that KINGSTOWN shall be merged into BAILEY, unless such merger is abandoned prior to the effective date of this agreement.

3. Except as specifically set forth herein, the corporate existence of BAILEY, with all its purposes, powers, and privileges, shall continue unaffected and unimpaired by this merger; the corporate identity and existence, with all the purposes, powers, and privileges of KINGSTOWN shall be merged into BAILEY.

4. BAILEY shall, as the corporation surviving the merger and with the name BAILEY'S MOTOR SALES, INC., be fully vested with all such purposes, powers, and privileges, and fully charged with all existing obligations of the agreeing corporations; and the surviving corporation, BAILEY'S MOTOR SALES, INC., shall be governed by the laws of Rhode Island.

5. The separate corporate existence and organization of KINGSTOWN shall cease upon the merger's becoming effective as herein provided, and thereupon BAILEY and KINGSTOWN shall be a single corporation, to wit BAILEY (herein sometimes referred to as the surviving corporation).

6. The merger shall become effective upon the completion of the following:

(a) The ratification and approval of this agreement by the stockholders of each corporation, together with the adoption of a resolution directing the filing of articles of merger, in each case by vote of an appropriate majority of each class of stock of each corporation outstanding and entitled to vote on the resolution submitted.

(b) The endorsement of this agreement by certificate thereon or appended thereto, by the Clerk or the Secretary respectively of the corporate parties, under their respective seals, certifying to the votes of approval of the agreement and of adoption of the merger resolutions taken at the aforesaid stockholders' meetings; and

(c) The execution of this agreement, duly acknowledged, by the president and the treasurer of each corporate party, and duly approved by vote of the directors.

7. The close of business on the last day of the calendar month during which this agreement becomes effective as provided

hereinabove shall be and is referred to herein as the effective date of merger, whether or not such date shall be a business day.

#### ARTICLE II

1. The articles of incorporation of the surviving corporation shall be those of BAILEY as they existed prior to this agreement.

2. The purpose of the surviving corporation shall be to engage in the business of purchasing, acquiring, owning, leasing, selling, transferring, encumbering and generally dealing in, repairing, renovating, and servicing all types of new and used automobiles, trucks and other motor vehicles and any parts or accessories used in connection therewith; and the purchasing, acquiring, owning, selling and generally dealing in all types of supplies used by all types of motor vehicles.

3. The by-laws of the surviving corporation at the effective date of merger shall be those of BAILEY then in effect, subject to later amendment as provided therein or in accordance with the terms of the articles of the surviving corporation or applicable statute.

#### ARTICLE III

1. The total number of shares of all classes of stock which KINGSTOWN is authorized to issue is 600 shares, all of which shares are common stock, no par value.

2. The total number of shares of all classes of stock which BAILEY has authority to issue is 100 shares of common stock, all of which shares are without par value.

3. The total number of shares which the surviving corporation shall be authorized to issue shall remain at 100 shares of common stock without par value.

4. The manner of converting the capital stock of each of the corporate parties into capital stock of the surviving company shall be as follows:

(a) Each issued share of the capital stock of BAILEY, issued and outstanding on the effective date of the merger, including treasury stock, shall automatically continue to be issued shares of the capital stock of the surviving corporation.

(b) All shares of the common stock, no par value, of KINGSTOWN, issued and outstanding at the effective date of the merger shall be, upon the taking effect of the merger, automatically canceled and of no further worth or significance, and all certificates therefore shall be surrendered, retired, and canceled.

#### ARTICLE IV

1. The principal office of the surviving corporation shall be at 425 Ten Rod Road, No. Kingstown, Rhode Island.

2. The fiscal year of the surviving corporation shall continue to be at the end of the 31st day of December of each year.

#### ARTICLE V

1. The initial officers of the surviving corporation following the effective date of merger, to hold office until their successors may be duly elected and qualified, shall be:

President:	Maureen Bailey
Vice-President:	Lawrence P. Cronin
Treasurer:	Maureen Bailey
Secretary:	Stephanie Bailey Alling

2. The initial board of directors of the surviving corporation, until otherwise established, shall consist of one member, who shall be, until her successor be duly elected and qualified:

Maureen Bailey

#### ARTICLE VI

1. Upon the merger becoming effective, all the rights immunities, privileges, powers and franchises of each of the corporations, both of a public and a private nature, all property, real, personal and mixed, all debts due on account, as well as for stock subscriptions as all other things in action or belonging to each of the corporations, and all and every other interest, shall vest in the surviving corporation without further act or deed as effectually as they were vested in the several and respective former corporations, and the title to any real estate, whether vested by deed or otherwise in either of the corporations, shall not revert or be in any way impaired by reason of the merger; but the surviving corporation shall not, by the merger, acquire authority to engage in any business or to exercise any right for the engaging in or exercising of which a corporation is not authorized under the provisions of Title 7, Section 7-1.2-301 of the Rhode Island General Laws, 1956, as amended.

2. And the surviving corporation shall, upon the merger, thenceforth assume and be responsible for all debts, liabilities, obligations and duties of each of the corporations and all said debts, liabilities, obligations and duties shall thenceforth attach to the surviving corporation and may be enforced against it to the same extent as if said debts, liabilities, obligations and duties had been incurred or contracted by it, but the liabilities of each corporation or of their shareholders, directors or officers shall not be affected, nor shall the rights of creditors thereof or of any person dealing with either corporation, or any liens upon the property of either of the corporations, be impaired by the merger, and all rights of creditors and all liens upon the property of either of the corporations shall be preserved unimpaired, and any action or proceedings pending by or against either of the corporations may be prosecuted to judgment the same as if the merger had not taken place, which judgment shall bind the surviving

corporation, or the surviving corporation may be proceeded against or substituted in its place. If at any time after the effective date of the merger the surviving corporation shall consider or be advised that any further assignments or assurances in law or any other things are necessary or desirable to vest, perfect or confirm, on record or otherwise, in the surviving corporation, the title to any property or rights of KINGSTOWN acquired or to be acquired by reason of, or as a result of, the merger, KINGSTOWN's proper officers and directors shall and will execute and deliver all such proper deeds, assignments and assurances in law and do all things necessary or proper to vest, perfect or confirm title to such property or rights in the surviving corporation, and otherwise to carry out the purpose of this Agreement, and the proper officers and directors of KINGSTOWN and the proper officers and directors of the surviving corporation are fully authorized in the name of KINGSTOWN or otherwise to take any and all such action.

3. Upon the merger becoming effective, the assets, liabilities, reserves and accounts of each corporation shall be taken up on the books of the surviving corporation at the amounts at which they, respectively, shall then be carried on the books of said corporation, subject to such adjustments, or eliminations of inter-company items, as may be appropriate in giving effect to the merger.

4. All corporate acts, plans, policies, approvals, and authorizations of KINGSTOWN, its shareholders, Board of Directors, committees elected or appointed by the Board of Directors, officers and agents, which were valid and effective immediately prior to the effective date of the merger shall be taken for all purposes as the acts, plans, policies, approvals and authorizations of the surviving corporation and shall be as effective and binding thereon as the same were with respect to KINGSTOWN. The employees and agents of KINGSTOWN shall become the employees and agents of the surviving corporation and continue to be entitled to the same rights and benefits which they enjoyed as employees and agents of KINGSTOWN.

#### ARTICLE VII

1. (a) There shall be required for the adoption of this Agreement by the shareholders of KINGSTOWN the affirmative vote of the holders of at least a majority of all shares of capital stock of the Corporation outstanding and entitled to vote, voting together as a group and without regard to class or series, each share of stock entitling the holder to one vote.

(b) There shall be required for the adoption and ratification and approval of this agreement by the stockholders of BAILEY the affirmative vote of the holders of at least two thirds of each class of stock issued and outstanding, each share of stock entitling the holder to one vote.

2. This Agreement and the merger may be terminated and abandoned by resolutions of both the Boards of Directors at any

time prior to the merger becoming effective, if circumstances develop which in the opinion of such Boards make proceeding with the merger inadvisable. In the event of the termination and abandonment of this Agreement and the merger pursuant to the foregoing provisions of this Article VII, this Agreement shall become void and have no effect, without any liability on the part of either of the corporations or its shareholders or directors or officers in respect thereof.

3. This agreement may be executed in a number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

In Witness Whereof, this agreement has been signed by the President and the Treasurer, duly thereto authorized, of each of the corporate parties, and each of the said corporate parties has caused its corporate seal to be hereunto affixed, on and as of the date first herein set forth.

BAILEY'S MOTOR SALES, INC.

By: Maureen Bailey  
Maureen Bailey, President & Treasurer

KINGSTOWN DODGE, INC.

By: Maureen Bailey  
Maureen Bailey, President & Treasurer