



## **SUMMARY OF PLAN OF CONSOLIDATION**

The proposed Plan of Consolidation sets forth the basic terms of the consolidation and the articles of incorporation of the new council. Additional detail will be set forth in an extensive written agreement between the Indianhead and Viking Councils.

The entire Plan and the agreement will be posted on the Indianhead Council website and can be accessed at [www.taskforce.realscouting.org](http://www.taskforce.realscouting.org). The principal provisions of the Plan are summarized as follows:

### **Name**

The temporary legal name of the consolidated council will be Indianhead/Viking Boy Scout Council. The intent is to select and adopt a permanent name as soon as possible that will express the energy and enthusiasm of the new council.

### **Consolidation**

The two councils will combine and form a new corporation in accordance with the Minnesota Nonprofit Corporation Act. The new corporation will have all the assets and obligations of the two councils, subject to such donor or other legal limitations as may be required. Both councils will take such steps as may be necessary to achieve this result.

### **Officers and Directors**

The new board and its officers will consist of 57 persons and be jointly selected by both councils.

### **Members**

The Bylaws will provide for various classes of membership. Members will be required to be registered Scouters. Existing members of either council will automatically become members of the new council.

### **Corporate Purpose**

The new council will be chartered by the Boy Scouts of America and will continue the mission of its predecessors.

### **Effective Date**

Each council's governing board will be asked to take action on February 16, 2005, to recommend approval of the Plan on March 30, 2005, by its voting members registered as of February 16, 2005. If approved by both boards and both memberships, the Plan of Consolidation will be effective on June 30, 2005, or such later date as both boards may agree.

### **Termination**

If either council fails to approve the Plan of Consolidation, the consolidation will not go forward and each council will continue as it has in the past.

**PLAN OF CONSOLIDATION  
OF  
INDIANHEAD COUNCIL, INC., BOY SCOUTS OF AMERICA  
AND  
VIKING COUNCIL OF THE BOY SCOUTS OF AMERICA**

**ARTICLE ONE  
CONSOLIDATION**

Section 1. In accordance with provisions of Chapter 317A of the Minnesota Nonprofit Corporation Act (the "Act"), and subject to the conditions set forth herein, Indianhead Council, Inc., Boy Scouts of America, a Minnesota nonprofit corporation ("Indianhead"), and Viking Council of the Boy Scouts of America, a Minnesota nonprofit corporation ("Viking") (together, the "Constituent Corporations") shall be consolidated (the "Consolidation") to form a new single corporation. The consolidated corporation shall be sometimes referred to herein as the "Corporation" or the "Consolidated Corporation."

Section 2. The Consolidation shall be subject to the following conditions precedent:

(a) The Consolidation shall have been approved by the Board of Directors and the voting members of Indianhead, and by the Executive Board and the voting members of Viking;

(b) This Plan of Consolidation shall not have been abandoned pursuant to the provisions of the Act, this Plan of Consolidation, or any agreement of consolidation entered into by the Constituent Corporations;

(c) The Constituent Corporations shall have satisfied any obligations with respect to notification of the Minnesota Attorney General pursuant to Section 317A.811 of the Act; and

(d) Articles of Consolidation with a copy of this Plan of Consolidation attached thereto shall have been duly filed with the Minnesota Secretary of State on or before the Effective Date, defined below.

Section 3. On the Effective Date, the Constituent Corporations shall become a single new corporation governed by the Act and the separate existence of the Constituent Corporations shall cease. The Consolidated Corporation shall have the rights, privileges, immunities, and powers, shall be subject to the duties and liabilities, of a corporation formed under the Act, and shall have the rights, privileges, immunities, powers and franchises, public and private, of each of the Constituent Corporations.

Section 4. The Consolidation shall become effective at 11:59 p.m. on June 30, 2005, or such later date as the boards of directors of Indianhead and Viking both shall authorize. The date on which the Consolidation becomes effective is hereinafter referred to as the "Effective Date." The time on such date at which the Consolidation becomes effective is hereinafter referred to as the "Effective Time."

**ARTICLE TWO**  
**ARTICLES OF INCORPORATION**

As of the Effective Date, the Articles of Incorporation of the Consolidated Corporation shall be as follows:

ARTICLE I

Name

The name of the Corporation shall be: Indianhead/Viking Council, Boy Scouts of America.

ARTICLE II

Registered Office

The registered office of the Corporation shall be located at 393 Marshall Avenue, St. Paul, Minnesota, 55102.

ARTICLE III

Duration

The Corporation shall have perpetual existence but shall take such action as may be necessary to dissolve in the event of the revocation or termination of its charter from the Boy Scouts of America, a corporation organized under Act of Congress.

ARTICLE IV

Purposes

4.1 The Corporation is organized and shall be operated exclusively for charitable, scientific, literary or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, as now or hereinafter in effect (the "Code"). All references herein to a particular section of the Internal Revenue Code of 1986 shall mean and include the Code, as now enacted or as hereinafter amended, such section and any provisions of federal law as is or may hereafter replace such sections.

4.2 The specific purposes of the Corporation are to promote, within the territory covered by the charter from time to time granted it by the Boy Scouts of America and in accordance with the Congressional Charter, Bylaws, and Rules and Regulations of the Boy Scouts of America, the Scouting program of promoting the ability of boys and young men and women to do things for themselves and others, training them in Scoutcraft, and teaching them patriotism, courage, self-reliance, and kindred virtues, using the methods which are now in common use by the Boy Scouts of America. In achieving this purpose, emphasis shall be placed upon the educational program of the Boy Scouts of America and

the oaths, promises, and codes of the Scouting program for character development, citizenship training, and mental and physical fitness. The Corporation shall fulfill the basic purpose of the Scouting movement within its territory, making Scouting training available to all boys and young men and women and serving organizations and community groups using the Scouting program while maintaining standards and policies, protecting official badges and insignia, and providing adequate leadership and finances.

ARTICLE V  
Limitations

5.1 All of the activities of the Corporation shall be carried on, and all funds of the Corporation, whether income or principal and whether acquired by gift, contribution or otherwise, shall be used and applied exclusively for charitable, scientific, literary or educational purposes of the Corporation, and in such manner that no part of the net earnings of the Corporation will in any event inure to the benefit of any Member (except distributions in furtherance of its exempt purpose to organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended), or to any officer or director of the Corporation or of any other corporation, organization, foundation, fund or institution, or any other individual excepting solely such reasonable compensation that the Corporation shall pay for services actually rendered to the Corporation. However, nothing contained in these Articles shall be construed to prevent distribution of the properties of the Corporation to another distributee, otherwise properly made in accordance with the provisions of these Articles and the purposes herein stated, solely by reason of the fact that one or more of the members, directors, or officers of the Corporation may be connected or associated with the distributee as shareholder, member, director, officer or in any other capacity. The Corporation shall not engage, otherwise than as an insubstantial part of its total activities, in activities that in themselves are not in furtherance of one or more of the exempt purposes specified in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and regulations issued thereunder.

5.2 No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, nor shall the Corporation participate or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office.

ARTICLE VI  
Members

6.1 The Corporation shall have no capital stock but shall have one or more classes of Members whose voting and other rights and interests shall be as set forth in the Bylaws of the Corporation. The conditions and qualifications for membership in the Corporation shall be as provided for in the Bylaws of the Corporation. Members of the Corporation shall have no personal liability for corporate obligations.

6.2 Each active or honorary member of the corporation shall (a) be a citizen of the United States of America or have taken the preliminary steps to becoming a citizen of the United States of America; (b) have subscribed to the Scout Oath and Law and the Bylaws and Rules and Regulations of the Boy Scouts of America; (c) have been registered by the Boy Scouts of America in accordance with its Bylaws and Rules and Regulations, and (d) otherwise meet all qualifications for membership from time to time established by the Boy Scouts of America.

## ARTICLE VII Management

7.1 The management of the Corporation shall be vested in a Board of Directors elected by the Members.

7.2 The Board of Directors shall initially consist of a total of fifty-seven (57) persons designated in writing by the governing boards of the Constituent Corporations on or before the filing of the Articles of Consolidation with the Minnesota Secretary of State and certified to by the corporate secretaries of the Constituent Corporations. Thereafter the Board of Directors shall consist of the number of directors provided in the Bylaws of the Corporation. Each member of the initial Board of Directors shall continue in office until the first meeting of the Members and thereafter until his or her successor is elected and qualifies or until he or she is removed from office as provided by law or in the Bylaws of the Corporation.

7.3 The terms of office of the directors, other than the members of the initial Board of Directors, shall be fixed by the Bylaws of the Corporation.

7.4 Any action required or permitted to be taken at a meeting of the Board of Directors may be taken by written notice signed by  $\frac{3}{4}$  of the members of the Board of Directors. When written action is taken by less than all directors as provided in this Article, all directors must be notified immediately of the text and effective date. Failure to provide such notice does not invalidate the written action.

## ARTICLE VIII Dissolution

In the event of liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or by operation of law, except as and to the extent otherwise provided or required by law, the remaining property and assets of the Corporation shall be distributed as provided in the Bylaws of the Corporation, or in the absence of any such provision in the Bylaws, in such manner as the Board of Directors of the Corporation, as constituted at the date of entry of the order allowing or directing the liquidation of the Corporation's affairs, shall by the affirmative vote of a majority of the directors direct, to a local Scout

Council or the National Boy Scouts of America for the benefit of the Scouting program in Minnesota and Wisconsin; provided, however, that none of the property or assets of the Corporation shall be distributed for purposes other than exclusively for charitable, scientific, literary or education purposes, within the meaning of Section 501(c)(3) of the Code. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations as said court shall determine which are organized and operated exclusively for such purposes.

**ARTICLE IX**  
**Amendments**

9.1 Amendments to articles of incorporation of the Corporation must be approved by a majority of the directors and by the affirmative vote of a majority of Members with voting rights voting at a duly called meeting at which a quorum is present. If an amendment is initiated by the directors, proper notice of the proposed amendment must precede a meeting of the Members, at which time the amendment will be considered and must include the substance of the proposed amendment. If an amendment is proposed and approved by one-fifth of the Members with voting rights, the Members may demand a special meeting of the Board of Directors within sixty (60) days for consideration of the proposed amendment if a regular meeting of the Board would not occur within sixty (60) days. For purposes of this Article, the presence in person by Members who constitute no less than five percent (5%) of the Members shall constitute a quorum for transaction of business by the Members at any duly and lawfully called meeting of the Members.

**ARTICLE THREE**  
**Agreement of Consolidation**

Additional terms and conditions of the Consolidation that are substantially consistent with provisions of this Plan of Consolidation may be set forth in a written agreement approved by the governing board of each Constituent Corporation and duly executed on behalf of each Constituent Corporation.

**ARTICLE FOUR**  
**Abandonment**

This Plan of Consolidation may be abandoned upon the mutual consent of the respective governing boards of the Constituent Corporations at any time prior to the Effective Date, notwithstanding approval of this Plan by the Members of either of Constituent Corporations, in compliance with Section 317A.631 of the Act. In the event of the abandonment of this Plan of Consolidation, this Plan shall be void and have no effect and no liability shall be incurred

hereunder on the part of either Constituent Corporation or its members, directors or officers thereof.

M1:1184606.03

**AGREEMENT OF CONSOLIDATION**

**BY AND BETWEEN**

**INDIANHEAD COUNCIL,  
BOY SCOUTS OF AMERICA, INC.**

**AND**

**VIKING COUNCIL OF THE  
BOY SCOUTS OF AMERICA**

**March \_\_\_\_\_, 2005**



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**AGREEMENT OF CONSOLIDATION  
BY AND BETWEEN  
INDIANHEAD COUNCIL, INC., BOY SCOUTS OF AMERICA  
AND  
VIKING COUNCIL OF THE BOY SCOUTS OF AMERICA**

This AGREEMENT OF CONSOLIDATION (the "Agreement") is made and entered into as of March \_\_\_\_, 2005 by and between Indianhead Council, Boy Scouts of America, Inc., a Minnesota nonprofit corporation ("Indianhead"), and Viking Council of the Boy Scouts of America, a Minnesota nonprofit corporation ("Viking"), said corporations hereinafter being collectively referred to as the "Constituent Corporations."

WHEREAS, Indianhead and Viking desire to consolidate into a single corporation (the "Consolidation") pursuant to the provisions of Chapter 317A of the Minnesota Nonprofit Corporation Act (the "Act");

WHEREAS, upon the Effective Date (as defined below), the separate existence of the Constituent Corporations shall cease and the Constituent Corporations shall become a single new corporation (the "Consolidated Corporation") governed by the Act; and

WHEREAS, the governing boards of the Constituent Corporations have determined that the Consolidation is consistent with and in furtherance of their long-term interests and is fair to, and in the best interests of, their members and the Scouting movement, and have approved and adopted the Plan of Consolidation (the "Plan") attached hereto as Exhibit A, and have recommended approval and adoption of the Plan of Consolidation by their respective members.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, Viking and Indianhead hereby agree as follows.

**ARTICLE 1**

**THE CONSOLIDATION**

Section 1.1 *The Consolidation.* Upon the terms and subject to the conditions set forth in this Plan, and in accordance with the Act, at the Effective Time (as defined in Section 1.4), shall be consolidated in accordance with the provisions of Section 317A.601 *et seq.* of the Act.

Section 1.2 *Effect of the Consolidation.* At the Effective Time, the effect of the Consolidation shall be as provided in Section 317A.641, subdivision 2 of the Act. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, the single Consolidated Corporation shall have the rights, privileges, immunities, and powers and shall be subject to the duties and liabilities, of a corporation formed under the Act, and shall have the rights, privileges, immunities, and powers of each of the Constituent Corporations.

Section 1.3 *Closing.* Unless the Plan shall have been abandoned as provided by the Act or this Agreement, or this Agreement shall have been terminated pursuant to Section 5.1, and subject to the satisfaction or waiver of the conditions set forth in Article 4, the closing relating to

the Consolidation will take place on June 15 at 10:00 a.m. at the offices of Briggs and Morgan, Professional Association, 2200 IDS Center, Minneapolis, Minnesota, unless another date, time or place is agreed to in writing by the parties hereto. At the Closing each Constituent Corporation shall deliver the certificates and other documents contemplated by this Agreement.

Section 1.4 *Effective Time.* The parties hereto shall cause the Consolidation to take effect by filing duly executed Articles of Consolidation in the form of Exhibit B attached hereto with the Secretary of State of the State of Minnesota, on or before June 30, 2005. The Consolidation shall be effective on June 30, 2005, at 11:59 p.m. (the "Effective Time").

Section 1.5 *Articles of Incorporation and Bylaws.*

(a) As of the Effective Time, the articles of incorporation of the Consolidated Corporation shall be as set forth in the Plan of Consolidation.

(b) Prior to the Closing, the governing boards and legal counsel of the Constituent Corporations, and legal counsel for the Boy Scouts of America, each shall have approved Bylaws of the Consolidated Corporation that are consistent with the Bylaws attached hereto as Exhibit D, and each such party's approval shall have been certified by such party in a written instrument delivered at Closing. The approved Bylaws shall be proposed for adoption by the Board of Directors of the Consolidated Corporation as one of the Initial Actions of the Board of Directors described in Section 1.8 of this Agreement.

Section 1.6 *Directors.* The Board of Directors of the Consolidated Corporation shall initially have 57 members. Prior to the Closing, the governing boards of the Constituent Corporations each shall have approved the same roster of 57 members of the Board of Directors of the Consolidated Corporation and each Constituent Corporation's approval shall have been certified by the Secretary of such corporation in a written instrument that sets forth the mutually agreed roster of directors. Each such director shall serve until the conclusion of the annual council meeting in 2006 and until a successor has been elected, or until his or her earlier disqualification, death, resignation, or removal.

Section 1.7 *Officers.* The Consolidated Corporation shall initially have the following officers: a President, a President-Elect, such number of Vice-Presidents as necessary and approved by the Board of Directors from time to time, a Treasurer, an Assistant Treasurer, a Council Commissioner, and a Scout Executive who shall also fill the office of Secretary. Prior to Closing, the governing boards of the Constituent Corporations each shall have approved the initial officers of the Consolidated Corporation and each Constituent Corporation's approval shall have been certified by the Secretary of such corporation in a written instrument that sets forth the mutually agreed roster of officers. The approved officers shall be proposed for election by the Board of Directors of the Consolidated Corporation as one of the Initial Actions of the Board of Directors described in Section 1.8 of this Agreement.

Section 1.8 *Initial Actions of Board of Directors.* On July 1, 2005, the Board of Directors of the Consolidated Corporation shall meet to take action on the matters identified in

this Agreement and listed in Exhibit C attached hereto, and such other matters as may properly come before the meeting.

Section 1.9 *Members.* The initial members of the Consolidated Corporation shall, without further action by the Consolidated Corporation, be those persons who were members at large or chartered organization representatives of either Constituent Corporation immediately prior to the Effective Time, as indicated by the records of the Constituent Corporation. Each such member shall have the same membership classification with respect to the Consolidated Corporation as he or she had with respect to the Constituent Corporation, and shall have such rights and responsibilities, be subject to such eligibility requirements, and serve for such terms, as are set forth in the Bylaws of the Consolidated Corporation.

Section 1.10 *Committees.* As of the Effective Time all committees of each Constituent Corporation shall be terminated. By approving the terms of this Agreement of Consolidation the governing board of each Constituent Corporation takes all actions necessary to effect such termination of its committees. The names, responsibilities, authority, members, and chairs of the initial committees of the Consolidated Corporation shall be set forth in resolutions adopted by the Board of Directors of the Consolidated Corporation as part of the initial actions of the Board of Directors of the Consolidated Corporation described in Section 1.8.

Section 1.11 *Districts, District Operating Committees.* The districts of the Constituent Corporations immediately prior to the Effective time shall be the initial districts of the Consolidated Corporation without further action by the Consolidated Corporation. The district committee officers and the district committees of the Constituent Corporations immediately prior to the Effective time shall be the initial district committee officers and district committees of the Consolidated Corporation without further action by the Consolidated Corporation.

Section 1.12 *Scout Executive.* Unless otherwise determined by mutual agreement of the governing bodies of the Constituent Corporations prior to the Effective Time, or by the Board of Directors of the Consolidated Corporation at or after the Effective Time, the Scout Executive and chief executive officer of the Consolidated Corporation shall be John R. Andrews. This Section 1.12 shall not create any right of employment on the part of John R. Andrews.

Section 1.13 *Employment Matters.* Employee policies and employee welfare and retirement benefit plans for the Consolidated Corporation shall be proposed for approval by the Board of Directors of the Consolidated Corporation as one of the Initial Actions of the Board of Directors described in Section 1.8 of this Agreement.

Section 1.14 *Tax-Exempt Status.* The Constituent Corporations each intend that the Consolidated Corporation will be a subordinate organization in the group tax exemption granted by the Internal Revenue Service to Boy Scouts of America. Within ten days after approval of Articles of Incorporation and Bylaws of the Consolidated Corporation by the governing boards of both constituent Corporations, the Constituent Corporations shall jointly submit a request to Boy Scouts of America that the Consolidated Corporation be included in the group exemption.

## ARTICLE 2

### MUTUAL REPRESENTATIONS AND WARRANTIES

Each of the Constituent Corporations represents and warrants:

Section 2.1 *Organization.* It is a nonprofit corporation duly organized, validly existing and in good standing under the Act. It has the requisite power and authority and all necessary governmental approvals to own, lease and operate its properties and to conduct its activities as currently conducted, except where the failure to have such power, authority or governmental approval would not, individually or in the aggregate, have a Material Adverse Effect (as defined below). It is duly qualified or licensed as a foreign corporation to do business, and is in good standing, in each jurisdiction where the character of the properties owned, leased or operated by it or the nature of its business makes such qualification or licensing necessary, except for such failures to be so qualified or licensed and in good standing that would not, individually or in the aggregate, have a Material Adverse Effect. The term "Material Adverse Effect" means any change or effect that is or would be materially adverse to its status, operations or financial condition taken as a whole.

Section 2.2 *Articles of Incorporation and Bylaws.* It has previously delivered to the other Constituent Corporation a true, complete and correct copy of its articles of incorporation and bylaws and all equivalent organizational documents, each as amended to date. Such articles of incorporation, bylaws and equivalent organizational documents are in full force and effect. It is not in violation of any provision of its articles of incorporation, bylaws or equivalent organizational documents.

Section 2.3 *Stock/Membership.* It has no capital stock, but has multiple classes of members whose voting and other rights are as set forth in its articles of incorporation and bylaws.

Section 2.4 *Authority Relative to Agreement.* It has all necessary power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by its board of directors or by an executive committee having the authority of its board of directors, and no other corporate proceedings or action on its part are necessary to authorize this Agreement. This Agreement has been duly and validly executed and delivered and, assuming the due authorization, execution and delivery by each Constituent Corporation, constitutes the valid and its binding agreement, enforceable against it in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other laws and subject to general principles of equity.

Section 2.5 *Consents and Approvals; No Violations.*

(a) Except as set forth on Schedule 2.5(a), the execution and delivery of this Agreement does not, and the performance of the transactions contemplated by this Agreement will not, require any filing with or notification to, or any consent, approval,

authorization or permit from, any governmental or regulatory authority, domestic or foreign (a "Governmental Entity") or any other person except for the filing and recordation of Articles of Consolidation as required by the Act.

(b) The execution and delivery of this Agreement does not, and the performance of the transactions contemplated by this Agreement will not, (i) conflict with or violate its articles of incorporation, bylaws or equivalent documents, (ii) conflict with or violate any order, writ, injunction, decree, statute, treaty, law, rule or regulation applicable to it or by which any of its property or assets is bound or affected, or (iii) result in a violation or a breach of, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or result in the loss of a benefit under, or give to others any right of termination, amendment, acceleration or cancellation of, or result in the creation of a lien or other encumbrance on any of its property or assets pursuant to, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which it is a party or by which it or any of its property or assets is bound or affected, except for any of the foregoing that would not, individually or in the aggregate, have a Material Adverse Effect.

#### Section 2.6 *Compliance.*

(a) Except for any of the following that would not, individually or in the aggregate, have a Material Adverse Effect, it has all licenses (including software licenses), permits, franchises, orders or approvals of any federal, state, local or foreign governmental or regulatory body or other Governmental Entity which are necessary for the conduct of its business as presently conducted (collectively, "Permits"), and such Permits are in full force and effect and no proceeding is pending or, to the best of its knowledge, threatened to revoke or limit any Permit. The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement will not adversely affect any Permit or result in any Permit being either revoked or limited in any material respect.

(b) Except for any of the following that would not, individually or in the aggregate, have a Material Adverse Effect, it is not in conflict with, or in default or violation of, (i) any law, rule, ordinance, regulation, order, judgment or decree applicable to it or by which any property or asset owned or controlled by it is bound or affected or (ii) any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which it is a party or by which it or any of its properties or assets is bound or affected. To the best of its knowledge, no other party to any material contract or agreement to which it is a party is in default and no event or condition exists or has occurred which, after notice or lapse of time, or both, would constitute a default thereunder. To the best of its knowledge no investigation or review by any Governmental Entity or any other person concerning any such possible violations by it is pending or threatened, nor has any Governmental Entity or any other person indicated an intention to conduct the same.



Section 2.7 *Financial Statements; Undisclosed Liabilities.*

(a) Each Constituent Corporation has delivered to the other the following financial statements:

(i) Audited Balance Sheets, Statements of Operations for the four years ending December 31, 2003;

(ii) Unaudited Balance Sheet, Statement of Operations for the year ending December 31, 2004; and

(iii) Unaudited Balance Sheet, Statement of Operations as of and for the period ending January 31, 2005 (such Balance Sheet being referred to as the "Latest Balance Sheet");

The foregoing financial statements delivered by the parties are hereinafter collectively called the "Financial Statements." The Financial Statements fairly present in all material respects, its financial position, results of operations, net assets and retained earnings as of the dates and for the periods therein set forth.

(b) Except as set forth in Schedule 2.7, as of the date of the Latest Balance Sheet, it had no material liability, obligation or commitment of any kind or nature whatsoever, known or unknown, whether absolute, accrued, contingent or otherwise, and whether due or to become due, which was not reflected or reserved against in the Latest Balance Sheet.

Section 2.8 *Absence of Certain Changes.* Since the date of the Latest Balance Sheet, except as disclosed in Schedule 2.8 or otherwise disclosed in writing to the other Constituent Corporation on or before the date of this Agreement, it has not done any of the following, such that the action, in any case or in the aggregate, has had, or insofar as can reasonably be foreseen is probable of having, a Material Adverse Effect:

(a) Undergone any change in its financial condition, properties, assets, liabilities, business or operations other than changes in the ordinary course of business;

(b) Subjected any of its properties to, or permitted any of its properties or assets to become subject to, any lien, claim, encumbrance or other adverse interest other than in the ordinary course of business;

(c) Acquired or disposed of any assets or properties of material value except in the ordinary course of business;

(d) Forgiven or canceled any debts or claims or waived any rights except in the ordinary course of business;

(e) Entered into any material transaction other than in the ordinary course of business;

(f) Granted to any officer, salaried employee or other employee any increase in compensation in any form, except merit increases consistent with prior practices and increases required by written agreements; granted to any officer or salaried employee or former employee any severance or termination pay;

(g) Adopted or amended any ERISA Plan or Non-ERISA Arrangement (as each is defined below), (whether or not legally binding) except to the extent required to comply with law;

(h) Incurred any liability, obligation or commitment, whether absolute, accrued, contingent or otherwise, and whether due or to become due except in the ordinary course of business;

(i) Received any notice of termination of any Permit, material contract or agreement or suffered any damage, destruction or loss (whether or not covered by insurance);

(j) Made any change in accounting policies or practices, including any change in depreciation or amortization policies;

(k) Suffered any strike or other labor trouble or received notice of any material controversy with any of its employees;

(l) Made any capital expenditures or capital additions or improvements in excess of \$10,000 in the aggregate; or

(m) Entered into any agreement or made any commitment to take any of the types of action described in clauses (a) through (l) of this Section 2.8.

Section 2.9 *Environmental Matters.* To the best of its knowledge, it is in compliance with all Environmental Laws, except for any noncompliance that, either singly or in the aggregate, could not have a Material Adverse Effect. "Environmental Laws" shall mean all federal, state and local laws, rules, regulations, ordinances and orders that purport to regulate the release of hazardous substances or other materials into the environment, or impose requirements relating to environmental protection. Each has previously made, or prior to the Closing Date shall make, available to the other copies of all documents concerning any environmental or health and safety matter adversely affecting it and copies of any environmental audits or risk assessments, site assessments, documentation regarding off-site disposal of Hazardous Materials (as hereinafter defined), spill control plans and material correspondence with any Governmental Entity regarding the foregoing. "Hazardous Materials" means any "hazardous waste" as defined in either the United States Resource Conservation and Recovery Act or regulations adopted pursuant to said act, any "hazardous substances" or "hazardous materials" as defined in the United States Comprehensive Environmental Response, Compensation and Liability Act and, to the extent not included in the foregoing, any medical waste.

Section 2.10 *Litigation.* Except as set forth in Schedule 2.10, there is no litigation, claim, suit, action, proceeding, investigation or complaint pending or, to the best of its

knowledge, threatened against it or any of its officers or directors before any court, arbitrator or administrative, governmental or regulatory authority or body, domestic or foreign.

Section 2.11 *ERISA Compliance, etc.*

(a) Schedule 2.11(a) contains a complete list of, and it has delivered, or prior to the Closing Date shall deliver, to the other Constituent Corporation true and complete copies of all "employee welfare benefit plans," "employee benefit plans," "employee pension benefit plans," "defined contribution plans" or "multi-employer plans" (all as defined in Section 3 of the Employee Retirement Income Security Act of 1974 as amended ("ERISA") and any applicable rules and regulations promulgated thereunder (an "ERISA Plan")), or any other bonus or incentive plan, stock option plan, restricted stock plan, stock bonus plan, deferred bonus plan, salary reduction agreement, change-of-control agreement, employment agreement, consulting agreement, severance agreement or plan, material fringe benefit plan or payroll practice, whether written or oral (a "Non-ERISA Arrangement," and the ERISA Plans and Non-ERISA Arrangements are sometimes referred to herein collectively as "Benefit Plans") currently maintained or contributed to, or required to be maintained or contributed to, by it, or for which it could have any liability of any nature. It has delivered, or prior to the Closing Date shall deliver, to the other Constituent Corporation true, complete and correct copies of (x) the three (3) most recent annual reports on Form 5500 filed with the U.S. Department of Labor with respect to each Benefit Plan (if any such report was required), (y) the most recent summary plan description for each Benefit Plan for which such summary plan description is required or if no such summary plan description is required, a written summary of the material terms of each such Benefit Plan and (z) each funding vehicle or arrangement relating to any Benefit Plan.

(b) Except as described in Schedule 2.11(b), to the best of its knowledge:

(i) Each Benefit Plan has been administered in all material respects in accordance with its terms, and is and has been in compliance in all material respects with all applicable provisions of ERISA and the Code, including all reporting requirements (whether to a Governmental Entity or participant or beneficiary). For purposes of this Section, non-compliance is material if such non-compliance would reasonably be expected to have a Material Adverse Effect.

(ii) All Benefit Plans intended to be qualified under Section 401(a) of the Code have been the subject of determination letters from the Internal Revenue Service to the effect that such Benefit Plans are qualified and exempt from federal income taxes under Section 401(a) and 501(a), respectively, of the Code and no such determination letter has been revoked nor, to the best of its knowledge, has revocation been threatened, nor has any such Benefit Plan been amended (or failed to be amended) since the date of its most recent determination letter or application therefor in any respect that would result in a loss of qualification or exempt status of any such Benefit Plan.

(iii) No person has engaged in a non-exempt "prohibited transaction" (as such term is defined in Section 406 of ERISA, or Section 4975 of the Code) or any other breach of fiduciary responsibility that could subject it, any of its officers or any Benefit Plan service provider to tax or penalty under ERISA, the Code or other applicable law. There has been no "reportable event" (as that term is defined in Section 4043 of ERISA) with respect to any Benefit Plan during the last five years. It has not incurred any "accumulated funding deficiency" within the meaning of Section 302(a)(2) of ERISA or Section 412(a) of the Code in connection with any ERISA Plans.

(iv) With respect to each Benefit Plan, there are no actions, suits or investigations or claims pending or, to the best of its knowledge, threatened with respect to the assets thereof (other than routine claims for benefits), and there are no facts that could give rise to any liability, action, suit, investigation, or claim against any Benefit Plan, any fiduciary or plan administrator or other person dealing with any Benefit Plan or the assets of any such Benefit Plan that would reasonably be expected to have a Material Adverse Effect.

(v) Each ERISA Plan may be amended, terminated, modified or otherwise revised by it as of the Effective Time, including the elimination of any and all benefits under any ERISA Plan (except claims incurred but not reported under any employee welfare benefit plan or any benefit described in Section 411(d)(6) of the Code).

(vi) As of the date of the Latest Balance Sheet, there was no accrued liability with respect to an ERISA Plan except for which there exists a separate funding vehicle, with assets equal to such liability, or an equal accrual on the Latest Balance Sheet, and there has been no material change in such liability since the date of the Latest Balance Sheet.

(c) No Benefit Plan provides post-retirement medical or life insurance benefits, except as may be required by COBRA.

#### Section 2.12 *Trademarks, Patents and Copyrights.*

(a) It owns, or possesses adequate licenses or other valid rights to use, all patents, patent rights, trademarks, trademark rights, trade names, trade name rights, copyrights, service marks, service mark rights, trade secrets, applications to register and registrations for, the foregoing patents, trademarks, service marks, know-how and other proprietary rights and information used in connection with or necessary to its business as currently conducted (the "Proprietary Rights"), and has not received any notice challenging the validity of any of Proprietary Rights. To the best of its knowledge, the conduct of its business as currently conducted does not conflict in any way with any patent, patent rights, license, trademark, trademark right, trade name, trade name right, service mark, copyright or other proprietary right of any other person. It has received no claim or threat that any such conflict exists, and no litigation, claim, suit, action, proceeding, or complaint concerning the foregoing has been filed or is pending.

(b) All personnel, including employees, agents, consultants, and contractors, who have contributed to or participated in the conception and development of software programs, technical documentation relating thereto, or intellectual property on its behalf either (x) have been party to a "work-for-hire" arrangement or agreement with it, or (y) have executed appropriate instruments of assignment in favor of it as assignee that have conveyed to it full, effective, and exclusive ownership of all tangible and intangible property thereby arising.

(c) The technical documentation relating to its software developed by or on its behalf includes the source code, system documentation, statements of principles of operation, and schematics for all software programs, as well as any pertinent commentary or explanation that may be necessary to render such materials understandable and usable by a trained computer programmer. The technical documentation also includes any program (including compilers), "workbenches," tools, and higher level (or "proprietary") language used for the development, maintenance, and implementation of software programs.

Section 2.13 *Taxes.* It is an organization described in Section 501(c)(3) of the Code because it is included in the group exemption issued to Boy Scouts of America Council. To the best of its knowledge, it has timely filed all federal, state, local and foreign information returns and tax returns required to be filed by it. Such reports and returns are true, correct and complete in all material respects. To the best of its knowledge, it has paid and discharged all federal, state, local and foreign taxes due from it, other than such taxes that are being contested in good faith by appropriate proceedings and are adequately reserved for as shown in the Latest Balance Sheet. Neither the IRS nor any other taxing authority or agency, domestic or foreign, is now asserting or, to the best of its knowledge, threatening to assert against it any deficiency or claim for additional taxes or interest thereon or penalties in connection therewith, or to revoke its status as an organization described in Section 501(c)(3). To the best of its knowledge, any accruals and reserves for taxes (including interest and penalties, if any, thereon) reflected in the Latest Balance Sheet are adequate in accordance with generally accepted accounting principles to cover all of its liabilities (including those arising from possible audit adjustments) for all periods ending on or prior to the date of the Latest Balance Sheet. It has withheld or collected and paid over to the appropriate governmental authorities or are properly holding for such payment all taxes required by law to be withheld or collected. There are no liens for taxes upon its assets. It is not subject to any agreement or obligation to indemnify any other person for tax liabilities.

Section 2.14 *Labor and Employment Matters.* There is not currently, and within the last three years it has not experienced, any strike, picketing, boycott, work stoppage or slow down or union organization activity. None of its employees is represented by a union or any similar entity and there is no request for representation pending. It has no knowledge (i) of any allegation, charge or complaint of unfair labor practice, employment discrimination or other matter relating to the employment of labor pending or threatened against it, or (ii) of any basis for any such allegation, charge or complaint. It has complied with all applicable laws relating to the employment of labor except for violations which would not, either singly or in the aggregate have a Material Adverse Effect.

Section 2.15 *Trusts*. Schedule 2.15 contains a true, complete and accurate list of the name of each trust for the benefit of a Constituent Corporation, to the best knowledge of such Constituent Corporation, and the name and address of the trustee(s) of such trust.

Section 2.16 *Adequacy of Properties*. It owns, leases or otherwise has adequate rights to use all tangible and intangible personal property necessary for the conduct of its nonprofit business in the manner in which such business is presently being conducted with no conflict with or infringement of the rights of others, and to the best of its knowledge none of such property or its rights thereto is subject to any proceeding, pending or threatened, which may result in the revocation, termination, supervision, cancellation or adverse modification of any such property.

Section 2.17 *Real Property*. Each Constituent Corporation's real property interests are set forth in Schedule 2.17.

Section 2.18 *Bank Accounts*. Schedule 2.18 contains a true, complete and accurate list of the name and address of each bank or other depository in which it has an account or safe deposit box and the name and title of each person authorized to draw thereon or have access thereto, the amount of authorized borrowing, if any and the extent to which such borrowing has been exercised.

Section 2.19 *Contracts and Other Agreements*.

(a) Schedule 2.19 sets forth a list of the following contracts and other agreements to which each Constituent Corporation is a party or by or to which its assets or properties are bound or subject:

(i) any agreement that individually requires aggregate expenditures by in any one year of more than \$10,000;

(ii) any indenture, trust agreement, loan agreement or note that involves or evidences outstanding indebtedness, obligations or liabilities for borrowed money;

(iii) any lease, sublease, installment purchase or similar arrangement for the purchase, use or occupancy of real or personal property (i) that individually requires aggregate expenditures in any one year of more than \$10,000, or (ii) pursuant to which it is the lessor of any real property which has rentals over \$10,000 per year, together with the date of termination of such leases, the name of the other party and the annual rental payments required to be made under such leases;

(iv) any agreement of surety, guarantee or indemnification;

(v) any agreement, including without limitation employment agreements and bonus plans, relating to the compensation of, or obligating it to make payments to, (i) officers, (ii) employees, (iii) former employees, (iv) consultants, (v) advisors or (vi) directors;

(vi) any agreement with any supplier that cannot be terminated without penalty in excess of \$10,000 within one year; and

(vii) any software development agreement.

True and complete copies of all of the contracts and other agreements set forth in Schedule 2.19 (or required to be set forth therein) have been previously provided, or prior to the Closing Date shall be provided, by each Constituent Corporation to the other.

Section 2.20 *Subsidiaries*. It has no subsidiaries and does not have any interest, direct or indirect, in any partnership, joint venture or other business entity; except that Indianhead controls Indianhead Scout Camps, Inc., a Wisconsin not for profit corporation ("Indianhead Scout Camps"). Indianhead represents that Indianhead Scout Camps is a tax-exempt organization under Section 501(c)(3) of the Code.

Section 2.21 *Definition of Knowledge*. As used in this Agreement, the phrase "to the best of its knowledge" (or words of similar import) means the knowledge or the best knowledge of the Scout Executive of the Constituent Corporation.

### ARTICLE 3

#### COVENANTS PENDING EFFECTIVE TIME

Section 3.1 *Mutual Covenants*. Each of the Constituent Corporations covenants and agrees that between the date of this Agreement and the Effective Time, it shall carry on its business in the usual, regular and ordinary course, consistent with past practice, and use its best efforts to preserve intact its present business organization, keep available the services of its present officers and employees, keep in effect casualty, public liability, worker's compensation and other insurance policies in coverage amounts not less than those in effect as of the date of this Agreement, to preserve and protect its rights and preserve its relationships with persons with whom it has significant dealings. Without limiting the foregoing:

(a) Negative Covenants. Between the date of this Agreement and the Effective Time, neither Constituent Corporation shall do, or propose or agree to do, any of the following without the prior written consent of the other:

(i) authorize for issuance, issue, sell, deliver or agree or commit to issue, sell or deliver any debt securities;

(ii) acquire, mortgage, sell or otherwise encumber, or sell, lease, transfer or dispose of any assets other than in the ordinary course of business consistent with past practice;

(iii) incur any long-term indebtedness for borrowed money, guarantee any indebtedness, sell debt securities (or otherwise become liable or potentially liable for) any debt of others, make any loans, advances or capital contributions,

or incur any short term indebtedness for borrowed money except for borrowings under credit facilities in existence on the date hereof;

(iv) pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise), other than any payment, discharge or satisfaction (x) in the ordinary course of business consistent with past practice, (y) in connection with the transactions contemplated by this Agreement, or (x) in accordance with their terms, of liabilities reflected or reserved against in the Latest Balance Sheet;

(v) change any of the accounting principles or practices used by it (except as required by generally accepted accounting principles);

(vi) increase the compensation payable or to become payable to its officers or employees, except for increases in the ordinary course of business in accordance with past practice, or grant any, severance or termination pay to, or enter into any employment or severance agreement with, any director or officer of it or any of its subsidiaries, or establish, adopt, enter into or amend in any material respect or take action to accelerate any rights or benefits under or terminate any ERISA Plan or Non-ERISA Arrangement;

(vii) amend or otherwise change its articles of incorporation or bylaws;

(viii) enter into a new agreement, contract or commitment involving payment to or by a Constituent Corporation of \$50,000 or more or amend any existing agreement that could reasonably be expected to have a Material Adverse Effect;

(ix) merge or consolidate with any other corporation or other entity; or

(x) enter into an agreement to take any of the foregoing actions or take, or enter into an agreement to take, any action (x) that would result in any of the representation and warranties made herein becoming untrue or the conditions to the Consolidation set forth in Article 4 not being satisfied, or (y) which is represented in clauses (a) through (m) of Section 2.8 not to have been taken since the date of the Latest Balance Sheet.

(b) Affirmative Covenants. Between the date of this Agreement and the Effective Time, each Constituent Corporation shall:

(i) Maintain all of its material structures, equipment and other tangible personal property in good repair, order and condition, except for ordinary wear and tear;

(ii) Discharge and perform all of its liabilities, obligations and duties as they become due under all Governmental Permits and contracts relating to or affecting its properties, assets and business;



(iii) Maintain its books of account and records in the usual, regular and ordinary manner;

(iv) Comply with all laws applicable to its properties, assets and business;

(v) Promptly advise the other in writing, of (x) any legal proceeding which is commenced or threatened by any person, or (y) any material adverse change in financial condition, results of operations, assets or business; and

(vi) Within 20 days after the end of each calendar month, deliver to the other an unaudited Balance Sheet and Statement of Operations as of the end of such month.

Section 3.2 *Call Membership Meeting To Approve.* Promptly following the execution of this Agreement each of the Constituent Corporations shall, pursuant to its articles of incorporation and bylaws and the Act, hold a meeting of its members entitled to vote, for the purpose of considering approval of the Plan.

Section 3.3 *Access to Information; Confidentiality.*

(a) From the date hereof to the Effective Time, each Constituent Corporation shall (and shall cause its officers, directors, employees, auditors and agents to) afford the officers, employees and agents (the "Representatives") of the other reasonable access at all reasonable times to its officers, employees, agents, properties, offices, facilities, books and records, and shall furnish such Representatives with all financial, operating and other data and information as may be reasonably requested, *provided*, that such access or investigation shall not interfere unnecessarily with the normal operations of each Constituent Corporation.

(b) Confidential information received by each Constituent Corporation pursuant to this Section 3.3 shall be treated confidentially, and any correspondence, memoranda, records, copies, documents and electronic or other media of any kind containing either such confidential information or trade secrets, or both, shall be returned to the party furnishing the same in the event this Agreement is terminated as provided in Section 6.1. This Section 3.3(b) shall survive the termination of this Agreement.

Section 3.4 *Further Action; Reasonable Best Efforts.* Upon the terms and subject to the conditions hereof each of the parties hereto shall use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated herein including, without limitation, using its reasonable best efforts to obtain all licenses, permits, consents, approvals, authorizations, qualifications and orders of Governmental Entities and all parties to contracts with a Constituent Corporation as are necessary for the consummation of the transactions contemplated herein. In case at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement, the proper officers and directors of each Constituent Corporation shall use their reasonable best efforts to take all such action. Each Constituent Corporation shall promptly

consult with the other with respect to, provide any necessary information with respect to and provide the other (or its counsel) with copies of, (i) all filings made by such party with any Governmental Entity or any other person in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby and (ii) all other written materials submitted or prepared by any such party concerning obtaining all licenses, permits, consents, approvals, authorizations and orders that are required to be obtained in connection with the execution of this Agreement and the consummation of the transactions contemplated by this Agreement.

Section 3.5 *Public Announcements.* Indianhead and Viking shall consult with each other before issuing any press release or otherwise making any public statements with respect to this Agreement or any transaction contemplated herein and shall not issue any such press release or make any such public statement without the prior consent of the other party, which consent shall not be unreasonably withheld.

## ARTICLE 4

### CONDITIONS

Section 4.1 *Conditions to Each Party's Obligation to Effect the Consolidation.* The respective obligations of each party to effect the Consolidation and the other transactions contemplated herein shall be subject to the satisfaction at or prior to, and continuing through, the Effective Time of the following conditions, any or all of which may be waived, in whole or in part, to the extent permitted by applicable law:

(a) No Injunction or Restraints; Illegality. The consummation of the Consolidation shall not be prohibited by any injunction, order, decree or ruling (an "Injunction") of a United States federal or state court of competent jurisdiction (each party agreeing to use its best efforts to have any such Injunction stayed or reversed), and there shall not have been any action taken or any statute, rule or regulation enacted, promulgated or deemed applicable to the Consolidation, or any executive order or decree issued, by any Governmental Entity that is in effect and that makes consummation of the Consolidation illegal.

(b) Approvals; Consents. All authorizations, consents, waivers, orders and approvals required to be obtained, and all filings, notices and declarations required to be made, by Indianhead and Viking prior to the consummation of the Consolidation and the transactions contemplated hereunder shall have been obtained from, and made with, all required Governmental Entities and all other persons except for such authorizations, consents, waivers, orders, approvals, filings, notices or declarations the failure to obtain or make would not have, at or after the Effective Time, a Material Adverse Effect.

(c) Member Approval. The Plan shall have been approved and adopted by the members of each Constituent Corporation pursuant to the Act and its articles of incorporation and bylaws.

(d) Representations and Warranties. Each of the representations and warranties of the other Constituent Corporation contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and true and correct in all material respects as of the Effective Time as though made on and as of the Effective Time (except for such representations and warranties which are qualified by their terms by a reference to materiality or a Material Adverse Effect, which representations and warranties as so qualified shall be correct in all respects as of the Effective Time as though made on and as of the Effective Time). The Constituent Corporation shall have received a certificate signed on behalf of the other Constituent Corporation by its Scout Executive and its Chief Financial Officer to the foregoing effect.

(e) Agreement and Covenants. The other Constituent Corporation shall have performed or complied in all material respects with all agreements and covenants required by this Agreement to be performed or complied with by it on or prior to the Effective Time. The Constituent Corporation shall have received a certificate signed on behalf of the other Constituent Corporation by its Scout Executive and its Chief Financial Officer to the foregoing effect.

(f) Material Adverse Change. There shall not have occurred any change concerning the other Constituent Corporation that, individually or in the aggregate, has had or reasonably could be expected to have a Material Adverse Effect, and the Constituent Corporation shall have received a certificate signed on behalf of the other Constituent Corporation by its Scout Executive to the foregoing effect.

## ARTICLE 5

### TERMINATION AND AMENDMENT

Section 5.1 *Termination.* To the extent permitted by law, this Agreement may be terminated and the Consolidation abandoned at any time prior to the Effective Time, whether before or after approval and adoption of the Plan by the members of Viking or the members of Indianhead under the following circumstances, upon compliance with the requirements of Section 317A.631:

(a) by mutual written consent of Indianhead and Viking;

(b) by either Constituent Corporation, following delivery of written notice of the termination and abandonment, to the other Constituent Corporation, if any United States federal or state court of competent jurisdiction or other Government Entity shall have issued an Injunction or taken any other action permanently restraining, enjoining or otherwise prohibiting the Consolidation and such Injunction or other action shall have become final and non-appealable;

(c) by either Constituent Corporation, following delivery of written notice of the termination and abandonment to the other, upon a breach by such other Constituent Corporation of any representation, warranty, covenant or agreement set forth in this Agreement, or if any representation or warranty of such other Constituent Corporation

shall have become untrue, in each case such that the conditions set forth in Section 4.1 would be incapable of being satisfied by June 30, 2005; provided that, in any case, a willful breach shall be deemed to cause such conditions to be incapable of being satisfied for purposes of this Section 5.1(c); or

(d) by either Constituent Corporation, following delivery of written notice of the termination and abandonment to the other Constituent Corporation, if the Consolidation shall not have taken effect on or before September 30, 2005.

Section 5.2 *Effect of Termination.* In the event of the termination and abandonment of this Agreement pursuant to Section 5.1 hereof, this Agreement shall forthwith become void and have no effect, without any liability on the part of any party hereto or its affiliates, directors, officers or members and all rights and obligations of any party hereto shall cease except as set forth in Sections 3.3 and 7.8.

Section 5.3 *Amendment.* This Agreement may be amended by the parties hereto, by action taken by or on behalf of their respective Boards of Directors at any time prior to the Effective Time. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

Section 5.4 *Extension; Waiver.* At any time prior to the Effective Time, the parties hereto may (i) extend the time for the performance of any of the obligations or other acts of the other party hereto, (ii) waive any inaccuracies in the representations and warranties of the other party contained herein or in any document delivered pursuant hereto or (iii) waive compliance by the other party with any of the agreements or conditions contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party.

## **ARTICLE 6**

### **SURVIVAL**

Section 6.1 *Survival of Representations and Warranties.* Except as otherwise expressly provided for in this Agreement, the covenants, representations and warranties contained in this Agreement shall survive only until the Effective Time.

## **ARTICLE 7**

### **MISCELLANEOUS**

Section 7.1 *Effectiveness of Representations, Warranties and Agreements.* The representations, warranties and agreements of each party hereto shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any other party hereto, any person controlling any such party or any of their officers or directors, whether prior to or after the execution of this Agreement.

Section 7.2 *Notices.* All notices and other communications hereunder shall be in writing (and shall be deemed given upon receipt) if delivered personally, telecopied (which is

confirmed) or mailed by registered or certified mail (return receipt requested) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Indianhead, to

Indianhead Council  
Attn. John R. Andrews  
Scout Executive  
393 Marshall Avenue  
St. Paul, MN 55102-1795  
Tel. (651) 254 9140  
Fax (651) 224-7239

with a copy to

Briggs and Morgan, P.A.  
W2200 First National Bank Building  
332 Minnesota Street  
St. Paul, MN 55101  
Attn: Michael J. Galvin  
Tel: (651) 808-6553  
Fax: (651) 808-6450

(b) if to Viking, to

Viking Council  
Attn. Donald F. Blacker  
Scout Executive / CEO  
5300 Glenwood Avenue  
Minneapolis, MN 55422-5192  
Tel: (763) 546-7374  
Fax: (763) 546-5140

with a copy to

Faegre & Benson LLP  
Attn. Thomas G. Morgan  
2200 Wells Fargo Center  
90 South 7th Street  
Minneapolis, MN 55402  
Tel: (612) 766-7402  
Tax: (612) 766-1600

Section 7.3 *Descriptive Headings*. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

Section 7.4 *Counterparts*. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when two or more counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

Section 7.5 *Entire Agreement; Assignment*. This Agreement together with the Exhibits and Schedules hereto and the other documents delivered pursuant hereto (a) constitute the entire agreement of the parties and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof and (b) shall not be assigned by any party hereto, by operation of law or otherwise.

Section 7.6 *Governing Law*. This Agreement shall be governed and construed in accordance with the laws of the State of Minnesota without regard to any applicable principles of conflicts of law.

Section 7.7 *Specific Performance*. The parties hereto agree that if any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached, irreparable damage would occur, no adequate remedy at law would exist and damages would be difficult to determine, and that the parties shall be entitled to specific performance of the terms hereof, without the posting of any bond whatsoever in addition to any other remedy at law or equity.

Section 7.8 *Expenses*. All fees, expenses and all out-of-pocket costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred by the parties hereto shall be borne solely and entirely by the party that has incurred such costs and expenses.

Section 7.9 *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 or persons any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement.

Section 7.10 *Severability*. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable law in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

Section 7.11 *Certain Definitions*. For purposes of this Agreement, the term:

(a) "affiliate" means a person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, the first mentioned person;

(b) "control" (including the terms "controlled," "controlled by" and "under common control with") means the possession, directly or indirectly or as trustee or executor, of the power to direct or cause the direction of the management or policies of a person, whether through the ownership of stock or as trustee or executor, by contract or credit arrangement or otherwise; and

(c) "person" shall mean any individual, corporation, partnership, joint venture, association, trust, unincorporated organization or government or any agency or political subdivision thereof or any other entity.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first above written.

VIKING COUNCIL OF THE  
BOY SCOUTS OF AMERICA

By: \_\_\_\_\_  
Its: \_\_\_\_\_

INDIANHEAD COUNCIL,  
BOY SCOUTS OF AMERICA, INC.

By: \_\_\_\_\_  
Its: \_\_\_\_\_

EXHIBIT A

**Plan of Consolidation**



EXHIBIT B

**ARTICLES OF CONSOLIDATION  
OF  
INDIANHEAD COUNCIL, BOY SCOUTS OF AMERICA, INC.  
AND  
VIKING COUNCIL OF THE BOY SCOUTS OF AMERICA  
AND  
INTO  
INDIANHEAD / VIKING BOY SCOUT COUNCIL**

These Articles of Consolidation relate to the consolidation of Indianhead Council, Boy Scouts of America, Inc. ("Indianhead") and Viking Council of the Boy Scouts of America ("Viking").

- (1) The Plan of Consolidation between Indianhead and Viking, dated as of \_\_\_\_\_, 2005 (the "Plan"), is attached hereto as Exhibit A.
- (2) The Plan has been approved by each of Indianhead and Viking pursuant to Chapter 317A of Minnesota Statutes.
- (3) **\*\***[Section 317A.811 of the Minnesota Statutes is not applicable to the consolidation in that notice to the Attorney General of Minnesota as described in Section 317A.811 is not required. *or* Notice has been given to the Attorney General of Minnesota as required by Section 317A.811 of the Minnesota Statutes.]

Dated this \_\_\_\_ day of \_\_\_\_\_, 2005.

INDIANHEAD COUNCIL, BOY SCOUTS OF AMERICA, INC.

By \_\_\_\_\_  
Its \_\_\_\_\_

VIKING COUNCIL OF THE BOY SCOUTS OF AMERICA

By \_\_\_\_\_  
Its \_\_\_\_\_

## EXHIBIT C

### **Initial Actions of Board of Directors**

- Adoption of Bylaws
- Election of officers
- Appointment of Scout Executive
- Designation of committees and their responsibilities, authority, members, and chairs
- Approval of employee policies
- Approval of employee benefit plans

EXHIBIT D

**Sample Bylaws**

## SCHEDULES

<b>Schedule 2.5(a)</b>	Required filings, notices, consents, approvals, authorizations, permits 1) Approval by Boy Scouts of America
<b>Schedule 2.7</b>	Additional liabilities, obligations, and commitments
<b>Schedule 2.8</b>	Changes in financial condition
<b>Schedule 2.10</b>	Litigation
<b>Schedule 2.11(a)</b>	Employee welfare and retirement plans
<b>Schedule 2.11(b)</b>	Benefit plan compliance
<b>Schedule 2.15</b>	Trusts
<b>Schedule 2.17</b>	Real property
<b>Schedule 2.18</b>	Bank accounts
<b>Schedule 2.19</b>	Contracts

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