
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **September 23, 2011**

Pizza Inn Holdings, Inc.

(Exact name of registrant as specified in its charter)

Missouri
(State or other jurisdiction of incorporation)

0-12919
(Commission File Number)

45-3189287
(IRS Employer Identification No.)

3551 Plano Parkway, The Colony, Texas
(Address of principal executive offices)

75056
(Zip Code)

Registrant's telephone number, including area code **(469) 384-5000**

Pizza Inn, Inc.
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

The information set forth under Item 8.01 below is incorporated herein by this reference.

ITEM 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

The information set forth under Item 8.01 below is incorporated herein by this reference.

ITEM 8.01 Other Events

On August 26, 2011, Pizza Inn, Inc., a Missouri corporation (“Pizza Inn”), formed each of Pizza Inn Holdings, Inc., a Missouri corporation (“Holdings”), and Pizza Inn Merger Sub, Inc., a Missouri corporation (“Merger Sub”). Subsequently, Holdings was organized as a wholly-owned subsidiary of Pizza Inn and Merger Sub was organized as a wholly-owned subsidiary of Holdings for the purpose of facilitating the creation of a holding company organizational structure (the “Restructuring”) pursuant to Section 351.448 of the Missouri General and Business Corporation Law (the “MGBCL”). As a result of the Restructuring, Holdings will become the parent holding company of Pizza Inn effective September 25, 2011.

The Restructuring will become effective as of 11:59 p.m. on September 25, 2011 (the “Effective Time”) pursuant to Articles of Merger filed with the Missouri Secretary of State effecting the provisions of an Agreement and Plan of Merger among Pizza Inn, Holdings and Merger Sub (the “Merger Agreement”). Pursuant to the Merger Agreement, (a) Merger Sub will be merged with and into Pizza Inn, with Pizza Inn continuing as the surviving corporation, (b) each share of Pizza Inn common stock outstanding immediately prior to the merger will be automatically converted into a share of Holdings common stock having the same designations, rights, powers, preferences, qualifications, limitations and restrictions, (c) each share of Merger Sub common stock outstanding immediately prior to the merger will be converted into a share of Pizza Inn common stock, and (d) all shares of Holdings common stock outstanding immediately prior to the merger will be cancelled. As a result, Merger Sub will cease to exist as a separate entity and Pizza Inn will become a direct subsidiary of Holdings as of the Effective Time.

Pursuant to Section 351.448 of the MGBCL, shareholder approval of the Merger Agreement and the Restructuring is not required. The shareholders of Pizza Inn will not recognize gain or loss for U.S. federal income tax purposes as a result of the Restructuring.

The directors and executive officers of Holdings are the same as the directors and executive officers, respectively, of Pizza Inn immediately prior to the Effective Time. Also, in accordance with Section 351.448 of the MGBCL, the Articles of Incorporation and Bylaws of Holdings are substantially identical to the Amended and Restated Articles of Incorporation and the Amended and Restated Bylaws, respectively, of Pizza Inn as in effect immediately prior to the Effective Time. Copies of the Articles of Incorporation and Bylaws of Holdings are attached to this Current Report on Form 8-K as Exhibits 3.1 and 3.2, respectively, and incorporated herein by this reference.

The conversion of shares of Pizza Inn common stock into shares of Holdings common stock pursuant to the Merger Agreement will not require an exchange of certificates. Consequently, shares of Holdings common stock will continue to be represented by the same stock certificates that represented shares of Pizza Inn common stock immediately prior to the Effective Time, until such stock certificates are surrendered for transfer or exchange in the normal course. Shares of Holdings common stock will be substituted for shares of Pizza Inn common stock listed on the Nasdaq Capital Market immediately prior to the Effective Time and will continue to trade under the symbol "PZZI" but will have a new CUSIP number (725846109).

In addition, at the Effective Time and pursuant to the Merger Agreement, (i) Holdings will assume sponsorship of all equity compensation plans of Pizza Inn, and (ii) each outstanding option to acquire shares of Pizza Inn common stock will be converted into an option to purchase an equal number of shares of Holdings common stock at the same price and otherwise on the same terms and conditions as applicable to such option immediately prior to the Effective Time. The conversion of such options will not require any action on the part of the holders.

The foregoing description of the Merger Agreement and the Restructuring does not purport to be complete and is qualified in its entirety by reference to the Merger Agreement, which is attached to this Current Report on Form 8-K as Exhibit 2.1 and incorporated herein by this reference.

This Current Report on Form 8-K is being filed with the Securities and Exchange Commission ("SEC") by Holdings as successor to Pizza Inn by virtue of Rule 12g-3(a) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Pursuant to Rule 12g-3(a), at the Effective Time the common stock of Holdings will be deemed to be registered under Section 12(b) of the Exchange Act. Holdings will succeed to Pizza Inn's SEC file number (0-12919) and its Central Index Key (0000718332), and will continue to file Exchange Act reports thereunder. Holdings will be a "smaller reporting company" for purposes of Rule 12b-2 under the Exchange Act.

ITEM 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
2.1	Agreement and Plan of Merger among Pizza Inn, Inc., Pizza Inn Holdings, Inc. and Pizza Inn Merger Sub, Inc.
3.1	Articles of Incorporation of Pizza Inn Holdings, Inc.
3.2	Bylaws of Pizza Inn Holdings, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PIZZA INN HOLDINGS, INC.

Date: September 23, 2011

By: /s/ Charles R. Morrison
Charles R. Morrison, President
and Chief Executive Officer

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "Merger Agreement"), dated as of September 15, 2011, is among Pizza Inn, Inc., a Missouri corporation ("Pizza Inn"), Pizza Inn Holdings, Inc., a Missouri corporation ("Holdco"), and Pizza Inn Merger Sub, Inc., a Missouri corporation ("MergerCo").

RECITALS:

WHEREAS, Holdco is a direct, wholly owned subsidiary of Pizza Inn, and MergerCo is a direct, wholly owned subsidiary of Holdco;

WHEREAS, Holdco and MergerCo are newly formed corporations organized for the purpose of participating in the transactions herein contemplated;

WHEREAS, Pizza Inn has authorized capital stock consisting of (i) 26,000,000 shares of common stock, par value \$.01 per share ("Pizza Inn Common Stock"), of which, as of the date hereof, 8,010,919 shares are issued and outstanding and 7,119,400 shares are held in treasury, and (ii) 5,000,000 shares of preferred stock, par value \$1.00 per share ("Pizza Inn Preferred Stock"), of which no shares are issued as of the date hereof;

WHEREAS, Holdco has authorized capital stock consisting of (i) 26,000,000 shares of common stock, par value \$.01 per share (the "Holdco Common Stock"), of which, as of the date hereof, 1,000 shares are issued and outstanding in the name of Pizza Inn and no shares are held in treasury, and (ii) 5,000,000 shares of preferred stock, par value \$1.00 per share ("Holdco Preferred Stock"), of which no shares are issued as of the date hereof;

WHEREAS, as of the date hereof, MergerCo has authorized capital stock consisting of One Thousand (1,000) shares of common stock, par value \$.01 per share (the "MergerCo Common Stock"), of which all One Thousand (1,000) shares are issued and outstanding in the name of Holdco as of the date hereof;

WHEREAS, the designations, rights, powers and preferences, and the qualifications, limitations and restrictions thereof, of the Holdco Common Stock and the Holdco Preferred Stock are the same as those of the Pizza Inn Common Stock and the Pizza Inn Preferred Stock, respectively;

WHEREAS, pursuant to Section 351.448 of The General and Business Corporation Law of Missouri (the "MGBCL"), Pizza Inn desires to create a new holding company structure by merging MergerCo with and into Pizza Inn (the "Merger"), with Pizza Inn continuing as the surviving corporation of such Merger, and each share (or any fraction thereof) of Pizza Inn Common Stock outstanding immediately prior to the Effective Time (as hereinafter defined) being converted in such Merger into a like number of shares of Holdco Common Stock, all in accordance with the terms of this Merger Agreement;

WHEREAS, Pizza Inn and MergerCo are the only constituent corporations to the Merger;

WHEREAS, as a result of the Merger, Pizza Inn will become a direct wholly owned subsidiary of Holdco;

WHEREAS, the respective Boards of Directors of each of Holdco, MergerCo and Pizza Inn have approved this Merger Agreement and the Merger upon the terms and subject to the conditions set forth in this Merger Agreement;

WHEREAS, the Board of Directors of Pizza Inn has determined, in accordance with Section 351.448.1(8) of the MGBCL, that the shareholders of Pizza Inn will not recognize gain or loss for United States federal income tax purposes as a result of the Merger;

WHEREAS, the Articles of Incorporation of Holdco (the "Holdco Charter") and the Bylaws of Holdco (the "Holdco Bylaws") in effect immediately after the Effective Time (as hereinafter defined) will contain provisions identical to the Amended and Restated Articles of Incorporation of Pizza Inn (the "Pizza Inn Charter") and the Amended and Restated Bylaws of Pizza Inn (the "Pizza Inn Bylaws") in effect immediately before the Effective Time (other than with respect to matters excepted by Section 351.448.1(4) of the MGBCL); and

WHEREAS, the directors and officers of Pizza Inn immediately prior to the Merger will be the directors and officers of Holdco at the Effective Time;

AGREEMENT:

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained in this Merger Agreement, and intending to be legally bound hereby, Pizza Inn, Holdco and MergerCo hereby agree as follows:

ARTICLE ONE **THE MERGER**

Section 1.1. **THE MERGER.** (a) In accordance with Section 351.448 of the MGBCL and upon the terms and subject to the conditions of this Merger Agreement, MergerCo shall, at the Effective Time, be merged with and into Pizza Inn, the separate corporate existence of MergerCo shall cease, and Pizza Inn shall continue as the surviving corporation of the Merger (the "Surviving Corporation").

(b) The closing (the "Closing") of the Merger will take place at 5:00 p.m., Dallas, Texas time, on September 25, 2011 (the "Closing Date"), at the offices of Pizza Inn, provided that the items set forth in Article 3 hereof have been completed or waived, unless another time, date or place is agreed to in writing by the parties hereto.

Section 1.2. **EFFECTIVE TIME.** (a) The parties shall file, on the Closing Date or as soon as practicable thereafter, articles of merger with respect to the Merger, executed in accordance with the relevant provisions of the MGBCL, and with this Merger Agreement attached thereto, with the Secretary of State of the State of Missouri, and shall make all other filings or recordings required under the MGBCL to effectuate the Merger. The Merger shall become effective upon issuance of the certificate of merger by the Secretary of State of the State of Missouri (the time the Merger becomes effective shall hereinafter be referred to as the "Effective Time").

(b) The Merger shall have the effects set forth in the MGBCL. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, all the properties, rights, powers and privileges of MergerCo shall vest in the Surviving Corporation, and all debts, liabilities and duties of MergerCo shall become the debts, liabilities and duties of the Surviving Corporation.

Section 1.3. AMENDED AND RESTATED ARTICLES OF INCORPORATION OF SURVIVING CORPORATION. From and after the Effective Time, Pizza Inn's Amended and Restated Articles of Incorporation, as in effect immediately prior to the Effective Time, shall be the Amended and Restated Articles of Incorporation of the Surviving Corporation, except with such changes as are permitted by Section 351.448.1(7) of the MGBCL (the "Surviving Corporation's Charter") until thereafter amended in accordance with its terms and as provided by law; provided, however, that, from and after the Effective Time:

(a) Article IV thereof shall be deleted in its entirety and a new Article IV substituted in its place which shall read in its entirety as follows:

"4.1. The total number and designation of shares of capital stock that the Corporation shall have the authority to issue is One Thousand (1,000) shares of Common Stock, with the par value of one cent (\$.01) per share.

"4.2. Each holder of Common Stock shall be entitled to cast one (1) vote for each share of Common Stock issued and outstanding in his or her name. No Common Stock shall be issued without voting rights."

(b) Article V thereof shall be deleted in its entirety and a new Article V substituted in its place which shall read in its entirety as follows:

"5.1. No holder of shares of stock authorized or issued pursuant to ARTICLE IV shall have any preferential or preemptive rights of subscription to any shares of capital stock of this Corporation, either now or hereafter authorized, or to any obligations convertible into capital stock of this Corporation, issued or sold, nor any rights of subscription to any thereof.

"5.2. The Corporation reserves the right to alter, amend, or repeal any provision contained in its Articles of Incorporation in the manner now or hereafter prescribed by the statutes of Missouri, and all rights and powers conferred herein are granted subject to this reservation; and, in particular, the Corporation reserves the right and privilege to amend its Articles of Incorporation from time to time so as to authorize other or additional classes of shares (including preferential shares), to increase or decrease the number of shares of any class now or hereafter authorized, to establish, limit or deny to stockholders of any class the right to purchase or subscribe for any shares of stock of the Corporation of any class, whether now or hereafter authorized or whether issued for cash, property or services or as a dividend or otherwise, or to purchase or subscribe for any obligations, bonds, notes, debentures, or securities or stock convertible into shares of stock of the Corporation or carrying or evidencing any right to purchase shares of stock of any class, and to vary the preferences, priorities, special powers, qualifications, limitations, restrictions and the special or relative rights or other characteristics in respect to the shares of each class, and to accept and avail itself of or subject itself to, the provisions of any statutes of Missouri hereafter enacted pertaining to general and business corporations, to exercise all the rights, powers and privileges conferred upon corporations organized thereunder or accepting the provisions thereof and to assume the obligations and duties imposed therein, upon the affirmative vote of the holders of a majority of the shares of each class whose separate vote is required thereon."

(c) Article VIII thereof shall be deleted in its entirety and a new Article VIII substituted in its place which shall read in its entirety as follows:

“8.1. The business and affairs of the Corporation shall be managed by, or under the direction of, a Board of Directors. The number of directors to constitute the Board of Directors shall be not less than one (1) and not more than the number fixed and established by the By-laws of the Corporation, as from time to time amended.

“8.2. Any vacancy on the Board of Directors arising from the death, resignation, retirement, disqualification or removal from office of one or more directors may be filled by a majority of the Board of Directors then in office, although less than a quorum, or by a sole remaining director. Any director elected to fill a vacancy shall have the same remaining term as that of his or her predecessor.

“8.3. The method of nomination and conduct of the election of directors at the annual meeting of shareholders shall be prescribed in the By-laws.”

(d) A new Article XIII shall be added thereto which shall be and read in its entirety as follows:

“ARTICLE XIII.

Any act or transaction by or involving the Corporation that requires for its adoption pursuant to Chapter 351 of The General and Business Corporation Law of Missouri or these Amended and Restated Articles of Incorporation the approval of the shareholders of the Corporation shall, pursuant to Section 351.448 of The General and Business Corporation Law of Missouri, require, in addition, the approval of the shareholders of Pizza Inn Holdings, Inc., a Missouri corporation, or any successor thereto by merger, by the same vote as is required pursuant to Chapter 351 of The General and Business Corporation Law of Missouri or the Amended and Restated Articles of Incorporation of the Corporation, or both.”

Section 1.4. BYLAWS OF SURVIVING CORPORATION. From and after the Effective Time, the Amended and Restated Bylaws of Pizza Inn, as in effect immediately prior to the Effective Time, shall constitute the Bylaws of the Surviving Corporation until thereafter amended in accordance with their terms or by applicable law.

Section 1.5. DIRECTORS OF SURVIVING CORPORATION. The directors of MergerCo in office immediately prior to the Effective Time shall be the initial d

irectors of the Surviving Corporation and will hold office from the Effective Time until their successors are duly elected or appointed and qualified in the manner provided in the Surviving Corporation’s Bylaws, or as otherwise provided by law.

Section 1.6. OFFICERS OF SURVIVING CORPORATION. The officers of Pizza Inn in office immediately prior to the Effective Time shall be the officers of the Surviving Corporation until the earlier of their resignation or removal or until their successors are duly elected or appointed and qualified in the manner provided in the Surviving Corporation's Bylaws, or as otherwise provided by law.

Section 1.7. ARTICLES OF INCORPORATION AND BYLAWS OF HOLDCO. From and after the Effective Time, the Holdco Charter and Holdco Bylaws shall be the same as the Pizza Inn Charter and Pizza Inn Bylaws, respectively, as in effect immediately prior to the Effective Time, except with such changes as are permitted and contemplated by Section 351.448.1(4) of the MGBCL until thereafter amended in accordance with its terms and as provided by law.

Section 1.8. ADDITIONAL ACTIONS. Subject to the terms of this Merger Agreement, the parties hereto shall take all such reasonable and lawful action as may be necessary or appropriate in order to effectuate the Merger. If, at any time after the Effective Time, the Surviving Corporation shall consider or be advised that any deeds, bills of sale, assignments, assurances or any other actions or things are necessary or desirable to vest, perfect or confirm, of record or otherwise, in the Surviving Corporation its right, title or interest in, to or under any of the rights, properties or assets of either of MergerCo or Pizza Inn acquired or to be acquired by the Surviving Corporation as a result of, or in connection with, the Merger or otherwise to carry out this Merger Agreement, the officers and directors of the Surviving Corporation shall be authorized to execute and deliver, in the name and on behalf of each of MergerCo and Pizza Inn, all such deeds, bills of sale, assignments and assurances and to take and do, in the name and on behalf of each of MergerCo and Pizza Inn or otherwise, all such other actions and things as may be necessary or desirable to vest, perfect or confirm any and all right, title and interest in, to and under such rights, properties or assets in the Surviving Corporation or otherwise to carry out this Merger Agreement.

Section 1.9. CONVERSION OF SECURITIES. At the Effective Time, by virtue of the Merger and without any action on the part of Holdco, MergerCo, Pizza Inn or the holder of any of the following securities:

(a) CONVERSION OF PIZZA INN COMMON STOCK. Each share of Pizza Inn Common Stock issued and outstanding immediately prior to the Effective Time shall be converted into and thereafter represent one duly issued, fully paid and nonassessable share of Holdco Common Stock.

(b) CONVERSION OF PIZZA INN COMMON STOCK IN TREASURY. Each share of Pizza Inn Common Stock issued but held by Pizza Inn in its treasury immediately prior to the Effective Time shall be converted into and thereafter represent one duly issued, fully paid and non-assessable share of Holdco Common Stock held in Holdco's treasury.

(c) CONVERSION OF CAPITAL STOCK OF MERGERCO. Each share of MergerCo Common Stock issued and outstanding immediately prior to the Effective Time shall be converted into and thereafter represent one duly issued, fully paid and nonassessable share of common stock, par value \$.01 per share, of the Surviving Corporation and shall constitute the only outstanding shares of capital stock of the Surviving Corporation.

(d) CANCELLATION OF CAPITAL STOCK OF HOLDCO. Each share of Holdco Common Stock that is owned by Pizza Inn immediately prior to the Effective Time shall automatically be cancelled and retired and cease to exist upon the conversion of the outstanding shares of Pizza Inn into shares of Holdco.

(e) RIGHTS OF CERTIFICATE HOLDERS. Holders of certificates formerly evidencing Pizza Inn Common Stock shall cease to have any rights as shareholders of Pizza Inn, except as provided by law; provided, however, that such holders shall have the rights set forth in Section 1.11 hereof.

Section 1.10. STOCK OPTIONS AND EQUITY-BASED AWARDS. (a) At the Effective Time, automatically and without any action on the part of Pizza Inn, Holdco, MergerCo or the holders of any options to acquire shares of Pizza Inn Common Stock (the "Pizza Inn Stock Options"), or the holders of any other equity-based award of Pizza Inn, (i) Holdco will assume each Pizza Inn Stock Option and each other equity-based award of Pizza Inn which is outstanding immediately prior to the Effective Time, (ii) each such Pizza Inn Stock Option shall be converted into an option to purchase a number of shares of Holdco Common Stock equal to the number of shares of Pizza Inn Common Stock issuable upon the exercise of such Pizza Inn Stock Option and shall otherwise continue to be governed by the same terms and conditions as applied to such Pizza Inn Stock Option immediately prior to the Effective Time, and (iii) each such other equity-based award of Pizza Inn shall be converted into an equity-based award with respect to a number of shares of Holdco Common Stock equal to the number of shares of Pizza Inn Common Stock then subject to such equity-based award and shall otherwise continue to be governed by the same terms and conditions as applied to such equity-based award immediately prior to the Effective Time.

(b) At the Effective Time, Holdco shall assume sponsorship of and all obligations of Pizza Inn under each plan of Pizza Inn pursuant to which shares of Pizza Inn Common Stock are or may be issued ("Equity Compensation Plans") and the Board of Directors of Holdco and its compensation committee shall assume the authority of the Board of Directors of Pizza Inn and its compensation committee under each such Equity Compensation Plan. In addition, each of the Equity Compensation Plans shall be adjusted in accordance with its terms to provide that shares issuable thereunder (including with respect to new awards) shall be shares of Holdco Common Stock.

(c) At or prior to the Effective Time, Holdco shall reserve for issuance the number of shares of Holdco Common Stock necessary to satisfy Holdco's obligations under Section 1.10(a) and (b) hereof.

Section 1.11. SURRENDER OF CERTIFICATES. Until thereafter surrendered for transfer or exchange in the ordinary course, each outstanding stock certificate that, immediately prior to the Effective Time, evidenced shares of Pizza Inn Common Stock shall be deemed and treated for all corporate purposes to evidence the ownership of the number of shares of Holdco Common Stock into which such shares of Pizza Inn Common Stock were converted pursuant to the provisions of Section 1.9(a) and (b) hereof.

ARTICLE TWO

ACTIONS TO BE TAKEN IN CONNECTION WITH THE MERGER

Section 2.1. **LISTING OF CERTAIN HOLDCO CAPITAL STOCK.** Pizza Inn shall use its reasonable efforts to cause the Holdco Common Stock received by Pizza Inn shareholders in connection with the conversion of Pizza Inn Common Stock to Holdco Common Stock pursuant to Section 1.9(a) and (b) hereof, to be approved for listing on the NASDAQ Capital Market ("**NASDAQ**"), at the Effective Time.

Section 2.2. **TAX CLEARANCE LETTER.** Prior to the Effective Time, MergerCo shall have prepared a Request for Tax Clearance Form and submitted such form to the Tax Clearance Unit of the Missouri Department of Revenue.

Section 2.3. **PROCUREMENT OF CUSIP NUMBERS.** On or prior to the Effective Time, Holdco will use reasonable efforts to procure a new CUSIP number for the Holdco Common Stock and for any other securities which so require new CUSIP numbers in connection with the Merger.

ARTICLE THREE

CONDITIONS OF MERGER

Section 3.1. **CONDITIONS PRECEDENT.** The obligations of each of the parties to this Merger Agreement to consummate the Merger and the transactions contemplated by this Merger Agreement shall be subject to fulfillment or waiver by the parties hereto of each of the following conditions:

(a) Prior to the Effective Time, the Notification: Substitution Listing Event relating to the Merger submitted to NASDAQ and providing for the Holdco Common Stock to be traded on NASDAQ, in substitution for shares of Pizza Inn Common Stock immediately following the Merger, shall have been approved by NASDAQ.

(b) Prior to the Effective Time, counsel to Pizza Inn shall render an opinion to the Board of Directors of Pizza Inn, in form and substance reasonably satisfactory to Pizza Inn, on the basis of certain facts, representations and assumptions set forth in such opinion, to the effect that for United States federal income tax purposes no gain or loss will be recognized by the shareholders of Pizza Inn as a result of the Merger. In rendering the opinion, such counsel may require and rely upon representations contained in certificates of officers of Holdco, MergerCo and Pizza Inn.

(c) Prior to the Effective Time, no order, statute, rule, regulation, executive order, injunction, stay, decree, judgment or restraining order shall have been enacted, entered, promulgated or enforced by any court or governmental or regulatory authority or instrumentality which prohibits or makes illegal the consummation of the Merger or the transactions contemplated hereby.

(d) All consents, waivers, orders, approvals, authorizations, registrations, findings of suitability and action of any governmental entity or third party shall have been obtained or made, free of any condition.

(e) Prior to the effective time, MergerCo shall have received a tax clearance letter from the Tax Clearance Unit of the Missouri Department of Revenue.

(f) Pizza Inn and Holdco shall have taken all necessary corporate action to ensure that, immediately prior to the Effective Time, the Holdco Charter (including with respect to authorized capital stock) and the Holdco Bylaws shall contain provisions identical to the Pizza Inn Charter and the Pizza Inn Bylaws, respectively, in effect immediately prior to the Effective Time (other than with respect to matters excepted by Section 351.448.1(4) of the MGBCL).

ARTICLE FOUR

TERMINATION, AMENDMENT AND WAIVER

Section 4.1. TERMINATION. This Merger Agreement may be terminated and the Merger contemplated hereby may be abandoned at any time prior to the Effective Time by written consent executed by each of the parties to this Merger Agreement. In the event of such termination and abandonment, this Merger Agreement shall become void and none of Pizza Inn, Holdco or MergerCo nor their respective shareholders, directors or officers shall have any liability with respect to such termination and abandonment.

Section 4.2. AMENDMENT. This Merger Agreement may be supplemented, amended or modified by written consent executed by each of the parties to this Merger Agreement.

Section 4.3. WAIVER. At any time prior to the Effective Time, the parties may waive any inaccuracies in the representations and warranties of any other party contained in this Merger Agreement or in any document delivered pursuant to this Merger Agreement or waive compliance by such other party with any of the agreements or conditions contained in this Merger Agreement. Any agreement on the part of any party to any such waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. The failure of any party to this Merger Agreement to assert any of its rights under this Merger Agreement or otherwise shall not constitute a waiver of those rights.

ARTICLE FIVE

MISCELLANEOUS PROVISIONS

Section 5.1. GOVERNING LAW. THIS MERGER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF MISSOURI, REGARDLESS OF THE LAWS THAT MIGHT OTHERWISE GOVERN UNDER APPLICABLE PRINCIPLES OF CONFLICTS OF LAWS.

Section 5.2. BINDING EFFECT AND ASSIGNMENT. This Merger Agreement shall be binding upon and inure to the benefit of the parties and to their respective successors and assigns.

Section 5.3. THIRD PARTY BENEFICIARIES. This Merger Agreement is not intended to and shall not be construed to, confer upon any person, other than the parties hereto and their respective successors and assigns, any rights or remedies hereunder.

Section 5.4. COUNTERPARTS. This Merger Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which shall constitute one and the same agreement.

Section 5.5. ENTIRE MERGER AGREEMENT. This Merger Agreement, including the documents and instruments referred to herein, constitutes the entire agreement and supersedes all other prior agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof.

Section 5.6. INTERPRETATION. When a reference is made in this Merger Agreement to an Article or Section, such reference shall be to an Article or Section of this Merger Agreement unless otherwise indicated. The headings contained in this Merger Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Merger Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, Holdco, MergerCo and Pizza Inn have caused this Merger Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

PIZZA INN, INC.,
a Missouri corporation

By: /s/ Charles R. Morrison
Name: Charles R. Morrison
Title: President

PIZZA INN HOLDINGS, INC.,
a Missouri corporation

By: /s/ Charles R. Morrison
Name: Charles R. Morrison
Title: President

PIZZA INN MERGER SUB, INC.,
a Missouri corporation

By: /s/ Charles R. Morrison
Name: Charles R. Morrison
Title: President

**ARTICLES OF INCORPORATION
OF
PIZZA INN HOLDINGS, INC.**

The undersigned natural person of the age of eighteen years or more, acting as incorporator of a corporation under the General and Business Corporation Law of Missouri, hereby adopts the following Articles of Incorporation for such corporation.

ARTICLE I.

- 1.1. The name of this Corporation shall be Pizza Inn Holdings, Inc.

ARTICLE II.

- 2.1. The period of the Corporation's duration is perpetual.

ARTICLE III.

- 3.1. The purposes for which this Corporation is organized are the following:

(1) To acquire, lease, own, hold, manage, conduct and/or otherwise operate a fast food service facility and/or facilities, including, but not limited to, food vending facilities, and/or other connection therewith to conduct, perform and/or otherwise operate services and facilities ancillary thereto.

(2) To acquire, and pay for in cash, stock or bonds of this Corporation or otherwise, the good will, rights, assets and property, and to undertake or assume the whole or any part of the obligations or liabilities of any person, firm, association or corporation.

(3) To acquire, hold, use, sell, assign, mortgage, lease and grant licenses and franchises in respect of, letters patent of the United States or any foreign country, patent rights, licenses and privileges, inventions, improvements and processes, copyrights, trademarks and trade names, relating to or useful in connection with any business of this Corporation.

(4) To acquire by purchase, subscription or otherwise and to receive, hold, own, guarantee, sell, assign, exchange, transfer, mortgage, pledge or otherwise dispose of or deal in and with any of the shares of the capital stock, or voting trust certificates in respect of the shares of the capital stock, scrip, warrants, rights, bonds, debentures, notes, trust receipts, and other securities, obligations, choses in action and evidences of indebtedness or interest issued or created by any corporations, joint stock companies, syndicates, associations, firms, trusts or persons, public or private, or by the government of the United States of America, or by any foreign government, or by any state, territory, province, municipality or other political subdivision or by any governmental agency and as owner thereof to possess and exercise all the rights, power and privileges of ownership, including the right to execute consents and vote thereon, and to do any and all acts and things, necessary or advisable for the preservation, protection, improvement and enhancement invention value thereof.

(5) To borrow or raise moneys for any of the purposes of the Corporation, and from time to time without limit as to amount, to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereon by mortgage upon or pledge, conveyance or assignment in trust of the whole or any part of the property of the corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds or other obligations of the Corporation and for its corporate purposes.

(6) To purchase, receive, take by grant, gift, devise, bequest or otherwise, lease, or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with real or personal property, or any interest therein, wherever situated, and to sell, convey, lease, exchange, transfer or otherwise dispose of, or mortgage or pledge, all or any of the Corporation's property and assets, or any interest therein, wherever situated.

(7) To purchase, receive or otherwise acquire, hold, own, pledge, transfer or otherwise dispose of its own shares, provided that it shall not purchase, either directly or indirectly, its own shares when its net assets are less than its stated capital or when, by so doing, its net assets would be reduced below its stated capital.

(8) To aid either by loans or by guarantee of securities or in any other manner, any corporation, domestic or foreign, any shares of stock, or any bonds, debentures, evidences of indebtedness or other securities whereof are held by this Corporation or in which it shall have any interest, and to do any acts designed to protect, preserve, improve, or enhance the value of any property at any time held or controlled by this Corporation or in which it at the time may be interest.

(9) To do any or all of the things hereinabove enumerated alone for its own account, or for the account of others, or as the agent for others, or in association with others or by or through others, and to enter into all lawful contracts and undertakings in respect thereof.

(10) To have one or more offices, to conduct its business, carry on its operations and promote its objects within and without the State of Missouri, in other states, the District of Columbia, the territories, colonies and dependencies of the United States, in foreign countries and anywhere in the World, without restriction as to place, manner or amount, but subject to the laws applicable thereto; and to do any or all of the things herein set forth to the same extent as a natural person might or could do and in any part of the world, either alone or in company with others.

(11) In general, to carry on any other business in connection with each and all of the foregoing or incidental thereto, and to carry on, transact and engage in any and every lawful business or other lawful thing calculated to be of gain, profit or benefit to the Corporation as fully and freely as a natural person might do, to the extent and in the manner, and anywhere within and without the State of Missouri, as it may from time to time determine; and to have and exercise each and all of the powers and privileges, either direct or incidental, which are given and provided by or are available under the laws of the State of Missouri in respect of general and business corporations organized for profit thereunder; provided, however, that the Corporation shall not engage in any activity for which a Corporation may not be formed under the laws of the State of Missouri.

None of the purposes and powers specified in any of the paragraphs of this ARTICLE III shall be in any way limited or restricted by reference to or inference from the terms of any other paragraph, and the purposes and powers specified in each of the paragraphs of this ARTICLE III shall be regarded as independent purposes and powers. The enumeration of specific purposes and powers in this ARTICLE III shall not be construed to restrict in any manner the general purposes and powers of this Corporation, nor shall the expression of one thing be deemed to exclude another, although it be of like nature. The enumeration of purposes or powers herein shall not be deemed to exclude or in any way limit by inference any purposes or powers which this Corporation has power to exercise, whether expressly by the laws of the State of Missouri, nor hereafter in effect, or implied by any reasonable construction of such laws.

ARTICLE IV.

4.1. The total number and designation of shares of capital stock that the Corporation shall have the authority to issue is Twenty-Six Million (26,000,000) shares of Common Stock, with the par value of one cent (\$.01) per share, and Five Million (5,000,000) shares of Preferred Stock, with the par value of one dollar (\$1.00) per share.

4.2. Each holder of Common Stock shall be entitled to cast one (1) vote for each share of Common Stock issued and outstanding in his or her name. No Common Stock shall be issued without voting rights. Except as hereinafter provided in Section 5.7, Preferred Stock shall be non-voting unless converted to Common Stock.

ARTICLE V.

5.1. The distinctive designation of the series of Preferred Stock authorized hereby shall be “10% Non-Voting Cumulative Convertible Preferred Stock” (the “Preferred Stock”). The number of authorized shares of Preferred Stock shall be 5,000,000. Shares of Preferred Stock which have been issued and reacquired in any manner, including shares purchased or redeemed, shall (upon compliance with any applicable provisions of the General Corporation Law of Missouri) have the status of authorized and unissued shares. The Preferred Stock shall only be issued prior to August 1, 1992 in lieu of payment of interest on the Term Loan pursuant to the Amended and Restated Credit Agreement. Any reallocation of the respective interests of Lloyds Bank Plc and Kleinwort Benson Limited between themselves with respect to ownership of the Preferred Stock shall not be subject to the provisions of Section 4.10. Except as hereinafter provided in Section 5.7, the Preferred Stock shall be non-voting; provided, however, that the Preferred Stock may be converted into voting Common Stock as hereinafter set forth in Section 5.5 hereof.

5.2. The holders of shares of Preferred Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of funds legally available therefor, dividends at the annual rate of ten percent (\$0.10) per share, and no more. Such dividend shall be cumulative and shall be payable within 110 days after the end of the Corporation's fiscal year commencing with the first fiscal year ended subsequent to the issuance of any shares of Preferred Stock and within 110 days of the end of each fiscal year ended thereafter (each of such dates being a "dividend payment date") with respect to each fiscal year of the Corporation ending subsequent to the issuance of any shares of Preferred Stock, to stockholders of record on the respective date, not exceeding 50 days preceding such dividend payment date, as shall be fixed for this purpose by the Board of Directors in advance of payment of each particular dividend. In the event that Preferred Stock has been outstanding for less than a full fiscal year or the Corporation shall have changed its fiscal year, as the case may be, such dividend shall accrue at the annual rate of 10% only for such period of time as such Preferred Stock shall have been issued and outstanding. All dividends paid with respect to shares of Preferred Stock shall be paid pro rata to the holders entitled thereto. Dividends on such Preferred Stock shall be fully cumulative and shall accrue (whether or not earned or declared) from and after their respective issuance date. Holders of Preferred Stock will not be entitled to any dividends, whether payable in cash, property or stock, in excess of full cumulative dividends. No interest or sum of money in lieu of interest shall be payable in respect of any accumulated unpaid dividends.

5.3. (a) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, then, before any distribution or payment shall be made to the holders of Common Stock, the holders of shares of Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its shareholders an amount in cash equal to \$1.00 for each share of Preferred Stock outstanding (which amount is hereinafter referred to as the "liquidation preference"), together with an amount in cash equal to all accrued and unpaid dividends thereon to the date fixed for liquidation, dissolution or winding up. Except as provided in the preceding sentence, holders of Preferred Stock shall not be entitled to any distribution in the event of liquidation, dissolution or winding up of the affairs of the Corporation. If the assets of the Corporation are not sufficient to pay in full the liquidation payments payable to the holders of outstanding shares of the Preferred Stock, then the holders of all such shares shall share ratably in any distribution of assets in accordance with the amount which would be payable on such distribution if the amounts to which the holders of outstanding shares of Preferred Stock are entitled were paid in full.

(b) For the purposes of this Section 5.3, neither the voluntary sale, conveyance, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of the property or assets of the Corporation nor the consolidation or merger of the Corporation with any other corporation shall be deemed to be a voluntary or involuntary liquidation, dissolution or winding up of the Corporation, unless such voluntary sale, conveyance, exchange, transfer, consolidation, or merger shall be in connection with a plan of liquidation, dissolution or winding up of the Corporation.

5.4. (a) Subject to subsection (b) of this Section 5.4, to the extent the Corporation shall have funds legally available for such redemption, the Corporation, at the option of the Board of Directors, may redeem, in whole or in part, the shares of Preferred Stock at the time outstanding, at any time or from time to time, upon notice given as hereinafter specified, at a redemption price of \$1.00 per share, together with accrued and unpaid dividends thereon to the redemption date.

(b) Notwithstanding the foregoing provisions of Section 5.4(a) hereof, unless the full cumulative dividends on all outstanding shares of preferred Stock shall have been paid or contemporaneously are declared and paid for all past dividend periods, none of the shares of preferred Stock shall be redeemed pursuant to Section 5.4(a) hereof unless all outstanding shares of Preferred Stock are simultaneously redeemed.

(c) On or prior to 100 days after the end of each fiscal year of the Corporation, commencing with the fiscal year ending in 1991, to the extent the Corporation shall have funds legally available therefor, the Corporation shall apply an amount equal to Excess Cash Flow as of the end of the immediately preceding fiscal year of the Corporation to mandatory redemption, in whole or in part, of the shares of Preferred Stock at the time outstanding, upon notice given as hereinafter specified, at a redemption price of \$1.00 per share, together with accrued and unpaid dividends thereon to the redemption date. If any shares of Preferred Stock shall be outstanding on August 1, 1995, to the extent the Corporation shall have funds legally available for such payment, the Corporation shall redeem all outstanding shares of Preferred Stock at a redemption price of \$1.00 per share, together with accrued and unpaid dividends thereon to the redemption date.

(d) If the Corporation shall fail to discharge its obligation to redeem any outstanding shares of Preferred Stock pursuant to Section 5.4(c) hereof (the "Mandatory Redemption Obligation"), the Mandatory Redemption Obligation shall be discharged as soon as the Corporation is able to discharge such Mandatory Redemption Obligation. If and so long as the Mandatory Redemption Obligation with respect to the Preferred Stock shall not be fully discharged, the Corporation shall not declare or pay any dividend or make any distribution on, or, directly or indirectly, purchase, redeem or satisfy any mandatory redemption, sinking and/or other similar obligations in respect of Common Stock (other than as a result of a reclassification of Common Stock, or the exchange or conversion of one class or series of Common Stock for or into another class or series of Common Stock, or other than through the use of the proceeds of a substantially contemporaneous sale of the Common Stock) or any warrants, rights or options exercisable for or convertible into any of the Common Stock.

(e) In the event that fewer than all the outstanding shares of Preferred Stock are to be redeemed, the number of shares to be redeemed shall be determined by the Board of Directors and the shares shall be redeemed on a pro rata basis among holders of Preferred Stock.

(f) In the event that the Corporation shall redeem shares of Preferred Stock, notice of every redemption of shares of Preferred Stock shall be mailed by first class mail, postage prepaid, and mailed not less than 30 days nor more than 60 days prior to the redemption date addressed to the holders of record of the shares to be redeemed at their respective last addresses as they shall appear on the books of the Corporation; provided, however, that failure to give such notice or any defect therein or in the mailing thereof shall not affect the validity of the procedure for the redemption of any shares of Preferred Stock to be redeemed except as to any holder to whom the Corporation has failed to give such notice or except as to any holder to whom notice was defective. Each such notice shall state: (i) the redemption date; (ii) the number of shares of Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed; (iii) the redemption price; (iv) the place or places where certificates for such shares are to be surrendered for payment of the redemption price; and (v) that dividends on the shares to be redeemed will cease to accrue on such redemption date.

(g) Notice having been mailed as aforesaid and provided that on or before the redemption date specified in such notice all funds necessary for such redemption shall have been set aside by the Corporation, separate and apart from its other funds, in trust for the pro rata benefit of the holders of the shares so called for redemption, so as to be and to continue to be available therefor, then, from and after the redemption date dividends on the shares of Preferred Stock so called for redemption shall cease to accrue, and said shares shall no longer be deemed to be outstanding and shall not have the status of shares of Preferred Stock, and all rights of the holders thereof as shareholders of the Corporation (except the right to receive from the Corporation the redemption price and any accrued and unpaid dividends) shall cease. Upon surrender in accordance with said notice of the certificates for any shares so redeemed (properly endorsed or assigned for transfer, if the Board of Directors shall so require and the notice shall so state), such shares shall be redeemed by the Corporation at the redemption price aforesaid. In case fewer than all the shares represented by any such certificate are redeemed, a new certificate or certificates shall be issued representing the unredeemed shares without cost to the holder thereof.

5.5. Upon the occurrence of a default resulting from the Corporation's failure to make a scheduled payment of principal or accrued interest on the Term Loan, the Revolving Credit Loan or the Asset Paydown Loan (as such loans are defined in the Plan) and the continuance of such default for 90 calendar days, the Agent for the Banks (as defined in the Plan) will be entitled to convert all shares of Preferred Stock into shares of Common Stock equal to 51% of the issued and outstanding shares of Common Stock on a fully diluted basis; provided, however, that the Agent will only be entitled to consummate the foregoing conversion if at the time of default the Agent is holding shares of Preferred Stock with an aggregate par value equal to or greater than \$250,000.00; and provided further that in the event the Corporation has reduced the outstanding principal indebtedness on such loans to an aggregate of \$15,000,000.00, the Preferred Stock will be converted into a lesser percentage of Common Stock on a fully diluted basis as defined by the following formula: (par value of Preferred Stock held by the Agent on the date of exercise of conversion, divided by the par value of the maximum amount of Preferred Stock previously issued) times 51%.

5.6. No holder of shares of stock authorized or issued pursuant to ARTICLE IV or this ARTICLE V shall have any preferential or preemptive rights of subscription to any shares of capital stock of this Corporation, either now or hereafter authorized, or to any obligations convertible into capital stock of this Corporation, issued or sold, nor any rights of subscription to any thereof, other than such rights, if any, as are hereinabove stated in this Article V with respect to the Preferred Stock.

5.7. The holders of the Common Stock shall have the exclusive right to vote upon all questions presented for shareholder vote, and the holders of the Preferred Stock shall have no right to vote upon any such question except as otherwise expressly provided by Missouri law, these Articles of Incorporation or by any other law, rule or regulation to which the Corporation is or may become subject.

5.8. The Corporation reserves the right to alter, amend, or repeal any provision contained in its Articles of Incorporation in the manner now or hereafter prescribed by the statutes of Missouri, and all rights and powers conferred herein are granted subject to this reservation; and, in particular, the Corporation reserves the right and privilege to amend its Articles of Incorporation from time to time so as to authorize other or additional classes of shares (including preferential shares), to increase or decrease the number of shares of any class now or hereafter authorized, to establish, limit or deny to stockholders of any class the right to purchase or subscribe for any shares of stock of the Corporation of any class, whether now or hereafter authorized or whether issued for cash, property or services or as a dividend or otherwise, or to purchase or subscribe for any obligations, bonds, notes, debentures, or securities or stock convertible into shares of stock of the Corporation or carrying or evidencing any right to purchase shares of stock of any class, and to vary the preferences, priorities, special powers, qualifications, limitations, restrictions and the special or relative rights or other characteristics in respect to the shares of each class, and to accept and avail itself of or subject itself to, the provisions of any statutes of Missouri hereafter enacted pertaining to general and business corporations, to exercise all the rights, powers and privileges conferred upon corporations organized thereunder or accepting the provisions thereof and to assume the obligations and duties imposed therein, upon the affirmative vote of the holders of a majority of the shares of each class whose separate vote is required thereon.

ARTICLE VI.

In the absence of fraud, no contract or other transaction between the Corporation and any other person, corporation, firm, syndicate, association, partnership, or joint venture shall be wholly or partially invalidated or otherwise affected by reason of the fact that one or more of the directors of the Corporation are or are to become Directors or officers of such other corporation, firm, syndicate or association, or members of such partnership or joint venture, or are pecuniarily or otherwise interested in such contractual transaction, provided, that the fact such director or directors of the Corporation are so situated or so interested or both, shall be disclosed or shall have been known to the Board of Directors of the Corporation. Any director or directors of the Corporation who is also a director or officer of such other corporation, firm, syndicate or association, or a member of such partnership, or joint venture, or pecuniarily or otherwise interested in such contract or transaction, may be counted for the purpose of determining the existence of a quorum at any meeting of the Board of Directors of the Corporation which shall authorize any such contract or transaction and in the absence of fraud, and as long as he acts in good faith, any such director may vote there at to authorize any such contract or transaction, with like force and effect as if he were not a director or officer of such other corporation, firm, syndicate, or association, or a member of such partnership or joint venture, or pecuniarily or otherwise interested in such contract or transaction; it is expressly provided, however, that the Board of Directors may not authorize the contract or transaction without the affirmative vote of a majority of the disinterested directors, even though the disinterested directors constitute less than a quorum.

ARTICLE VII.

The street address of the registered office of the Corporation is 300-B East High Street, Jefferson City, Missouri 65101, and the registered agent at such address is National Registered Agents, Inc.

ARTICLE VIII.

8.1. The business and affairs of the Corporation shall be managed by, or under the direction of, a Board of Directors. The number of directors to constitute the Board of Directors is seven (7).

8.2. Beginning with the Company's 2004 annual meeting of shareholders there shall be one (1) class of directors, who shall be elected annually. Those directors currently referred to as Class I Directors, who are nominated for election at the 2004 annual meeting of shareholders, if elected, will hold office until the 2005 annual meeting of shareholders, at which time they, or their successors, must be nominated for election as members of a single class of directors. Those directors currently referred to as Class II Directors, who were elected at the 2003 annual meeting of shareholders to hold office until the 2005 annual meeting of shareholders, will complete their terms at the 2005 annual meeting of shareholders, at which time they, or their successors, must be nominated for election as members of a single class of directors. Any director elected to fill any vacancy on the Board of Directors shall hold office for the remainder of the full term of the director whose position such newly elected director fills.

8.3. Any vacancy on the Board of Directors arising from the death, resignation, retirement, disqualification or removal from office of one or more directors may be filled by a majority of the Board of Directors then in office, although less than a quorum, or by a sole remaining director. At any time until August 1, 1995, the shareholders shall have the power by vote of the holders of 75% of the shares of stock then entitled to vote at any meeting expressly called for that purpose, to remove any director from office with or without cause; provided, however, that notwithstanding the foregoing, during the initial terms of office of the Class I and Class II Directors, no director shall be removed from office except for cause, cause being defined solely as fraud, physical disability or mental incapacity. Any director elected to fill a vacancy shall have the same remaining term as that of his or her predecessor.

8.4. The method of nomination and conduct of the election of directors at the annual meeting of shareholders shall be prescribed in the By-Laws.

8.5. Notwithstanding any other provision of these Articles of Incorporation, until August 1, 1995, no amendment, alteration or repeal of this Article VIII shall be effective unless approved by the holders of shares of stock of the Corporation representing at least 75% of the votes entitled to be cast thereon at a meeting of the shareholders duly called for consideration of such amendment.

ARTICLE IX.

The private property of the stockholders shall not be subject to the payment of the corporate debts of the Corporation.

ARTICLE X.

The Corporation shall have and exercise all powers and rights conferred upon corporations by the General and Business Corporation Law of Missouri and any enlargement of such powers conferred by subsequent legislative acts; and, in addition thereto, the Corporation shall have and exercise all powers and rights, not otherwise denied corporations by the General and Business Corporation Law of Missouri, as are necessary, suitable, proper, convenient or expedient to the attainment of the purposes set forth in Article III above.

Except as may be otherwise specifically provided by statute, or the Articles of Incorporation or the By-laws of the Corporation, as from time to time amended, all powers of management, direction and control of the Corporation shall be, and hereby are, vested in the Board of Directors.

The By-laws of the Corporation may from time to time be altered, amended, suspended or repealed, or new By-laws may be adopted by a majority vote of the Board of Directors, subject to any and all restrictions imposed, or prohibitions provided, by the General and Business Corporation Law of Missouri.

The Board of Directors may designate an Executive Committee in the manner and subject to the limitations set forth in the By-laws of the Corporation.

The directors shall have power to hold their meetings and to keep the books (except any books required to be kept in the State of Missouri, pursuant to the laws thereof) at any place within or without the State of Missouri.

ARTICLE XI.

11.1. The Corporation may agree to the terms and conditions upon which any director or officer accepts his office or position and in its By-laws or by contract may agree to indemnify and protect each and all of such persons and any person who, at the request of the Corporation served as a director or officer of another Corporation in which this Corporation owned stock against all costs and expenses reasonably incurred by any or all of them, and all liability imposed or threatened to be imposed upon any or all of them, by reason of or arising out of their or any of them being or having been a director or officer of this Corporation or of such other corporation; but any such By-law or contractual provision shall not be exclusive of any other right or rights of any such director or officer to be indemnified and protected against such costs and liabilities which he may otherwise possess.

11.2. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative (other than an action by or in the right of this Corporation) by reason of the fact that he is or was a director, officer, employee or agent of this Corporation, or is or was serving at the request of this Corporation as a director, officer, employee, partner, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines, taxes and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of this Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of this Corporation, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.

11.3. This Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit by or in the right of this Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of this Corporation, or is or was serving at the request of this Corporation as a director, officer, employee, partner, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) and amounts paid in settlement actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of this Corporation except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the Court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court shall deem proper. Any indemnification under this Article XI (unless ordered by a Court) shall be made by this Corporation only as authorized in the specific instance upon a determination that indemnification of the director, officer, employee, partner, trustee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in this Article XI. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by the shareholders. To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in this Article XI, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the action, suit, or proceeding.

11.4. Expenses incurred in defending any actual or threatened civil or criminal action, suit or proceeding may be paid by this Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific instance upon receipt of an undertaking by or on behalf of the director, officer, employee, partner, trustee or agent to repay such amount unless it shall be ultimately determined that he is entitled to be indemnified by the Corporation as authorized in this Article XI.

11.5. The indemnification provided by this Article XI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-law, agreement, vote of shareholders or disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has caused to be a director, officer, employee, partner, trustee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

11.6. For the purposes of this Article XI, references to this "Corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation so that any person who is or was a director, officer, employee, partner, trustee or agent of such a constituent corporation as a director, officer, employee, partner, trustee or agent of another enterprise shall stand in the same position under the provisions of this Article XI with respect to the resulting surviving corporation in the same capacity.

11.7. In the event any provision of this Article XI shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provisions of this Article XI and any other provisions of this Article XI shall be construed as if such invalid provisions had not been contained in this Article XI.

ARTICLE XII.

The name and physical business address of the incorporator is Charles R. Morrison, 3551 Plano Parkway, The Colony, Texas 75056.

IN WITNESS WHEREOF these Articles of Incorporation have been executed by the incorporator this 25th day of August, 2011.

/s/ Charles R. Morrison
Charles R. Morrison, Incorporator

**BY-LAWS OF
PIZZA INN HOLDINGS, INC.**

ARTICLE I - OFFICE

The principal office of the Corporation shall be located in Denton County, Texas. The Corporation may have offices at such other places, both within and without the State of Missouri, as the Board of Directors may from time to time designate.

ARTICLE II - SEAL

The corporate seal shall have inscribed thereon the name of the Corporation.

ARTICLE III - SHAREHOLDERS' MEETING

Section 1. Place of Meeting. All meetings of the shareholders shall be held at such location, either within or without the State of Missouri, as designated, from time to time, by a majority of the Board of Directors.

Section 2. Annual Meeting. The annual meeting of the shareholders shall be held on Wednesday of the second full calendar week of December of each year at 10:00 a.m., or any other day determined by the Board of Directors within sixty (60) calendar days before or after such date, when the shareholders shall conduct business as shall properly come before the meeting.

Section 3. Quorum. The holders of a majority of the stock issued and outstanding entitled to vote at any meeting, present in person or represented by proxy, shall be requisite and shall constitute a quorum at all meetings of the shareholders for the transaction of business, except as otherwise provided by express provision of the statutes, the Articles of Incorporation or by these By-laws.

Section 4. Voting. At each meeting of the shareholders, every shareholder entitled to vote at any meeting shall be entitled to vote in person, or by proxy, appointed by an instrument in writing subscribed by such shareholder, or by his duly authorized attorney-in-fact, and he shall have one vote for each share of stock registered in his name at the time of the closing of the transfer books for said meeting. The vote of the holders of a majority of the stock having voting power, present in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes, the Articles of Incorporation or these By-laws, a different vote is required, in which case, such express provision shall govern and control the decision of such questions.

Section 5. No Cumulative Voting. Unless otherwise provided in the Articles of Incorporation, cumulative voting is not permitted with respect to the election of directors and, thus, no shareholders entitled to vote in the election of directors shall have the right to cast as many votes in the aggregate as shall equal the number of votes held by the shareholders in the Corporation, multiplied by the number of directors to be elected at the election, for one candidate, or distribute them among two or more candidates.

Section 6. Notice of Meeting. Notice of any special or annual meeting shall be served personally on each shareholder or shall be mailed to each shareholder at such address as appears on the stock book of the Corporation not less than ten (10) days nor more than sixty (60) days before such meeting. Service or mailing of such notice shall be made by the Secretary. In addition, such published notice shall be given as required by law. The notice of any special meeting shall state the purpose or purposes of the proposed meeting.

Section 7. Special Meetings. Special meetings of the shareholders for any purpose or purposes may be called by the Chief Executive Officer or by the Board of Directors, or by the Secretary at the request in writing by shareholders owning at least one-third (1/3) in amount of the entire capital stock of the Corporation issued and outstanding.

Section 8. Waiver of Notice. Any shareholder may waive notice of any meeting of the shareholders, by a writing signed by him, or by his duly authorized attorney-in-fact, either before or after the time of such meeting. A copy of such waiver shall be entered in the minutes, and shall be deemed to be the notice required by law or by these By-laws. Any shareholder present in person, represented by proxy or represented by his duly authorized attorney-in-fact, at any meeting of the shareholders, shall be deemed to have thereby waived notice of such meeting, except where a shareholder attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 9. Informal Action by Shareholders. Whenever the vote of shareholders at a meeting thereof is required or permitted to be taken in connection with any corporate action by any provisions of the statutes, the Articles of Incorporation or these By-laws, the meeting, any notice thereof and vote of shareholders thereat may be dispensed with if all the shareholders who would have been entitled to vote upon the action, if such meeting were held, shall consent in writing to such corporate action being taken. Such consents shall have the same force and effect as a unanimous vote of the shareholders at a meeting duly held, and may be stated as such in any certificate or document filed under the statutes of Missouri. Such written consent shall be filed with the minutes of shareholders' meetings.

Section 10. Shareholders Entitled to Vote. The Board of Directors may prescribe a period not exceeding sixty (60) days prior to any meeting of the shareholders during which no transfer of stock on the books of the Corporation may be made. The Board of Directors may fix a day not more than sixty (60) days prior to the holding of any meeting of the shareholders as the day as of which shareholders are entitled to notice of and to vote at such meeting.

Section 11. Organization. The Chairman of the Board, and in his absence, the Chief Executive Officer, and in his absence, the President, and in the absence of the Chairman of the Board, the Chief Executive Officer, the President and all the Vice Presidents, a chairman pro tem chosen by the shareholders present, shall preside at such meeting of shareholders and shall act as chairman thereof. The Secretary, and in his absence the Assistant Secretary or a Secretary pro tem chosen by the shareholders present, shall act as secretary of all meetings of the shareholders.

Section 12. Adjournment. If at any meeting of the shareholders, a quorum shall fail to attend at the time and place for which the meeting was called, or if the business of such meeting shall not be completed, the shareholders present in person, represented by proxy may, by a majority vote, adjourn the meeting from day to day or from time to time, not exceeding ninety (90) days from such adjournment without further notice until a quorum shall attend or the business thereof shall be completed. At any such adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally called.

ARTICLE IV - DIRECTORS

Section 1. Number and Election. The number of Directors of the Corporation to constitute the Board of Directors shall be seven (7). Each Director shall hold office until such Director's successor has been elected and has qualified, or until such Director's death, retirement, disqualification, resignation or removal.

Section 2. Classes, Election and Term. There shall be one (1) class of directors, who shall be elected annually. Any director elected to fill any vacancy on the Board of Directors shall hold office for the remainder of the full term of the director whose position such newly elected director fills.

Section 3. Vacancies. Any vacancy on the Board of Directors arising from the death, resignation, retirement, disqualification, or removal from office of one or more Directors, may be filled by a majority of the Board of Directors then in office, although less than a quorum, or by a sole remaining Director. Any Director elected to fill a vacancy shall have the same remaining term as that of his or her predecessor.

Section 4. Powers of the Board. The business of the Corporation shall be managed by its Board of Directors, which may exercise all such powers of the Corporation, and do all such lawful acts and things as are not by statute, or by the Articles of Incorporation, or by these By-laws, directed or required to be exercised or done by the shareholders.

Section 5. Removal of Directors. Except as otherwise expressly provided in the Articles of Incorporation, the shareholders shall have the power, by a vote of the holders of a majority of seventy-five percent (75%) of the shares then entitled to vote at an election of Directors at any meeting expressly called for that purpose, to remove any Director from office with or without cause. Such meeting shall be held at the registered office or principal business office of the Corporation in the State of Texas or at such other location within or without the States of Missouri or Texas, as directed, from time to time, by the Board of Directors. If less than the entire Board is to be removed, no one of the Directors may be removed if the votes cast against his removal would be sufficient to elect him, if then cumulatively voted at an election of the entire Board of Directors.

ARTICLE V - MEETINGS OF THE BOARD

Section 1. Place of Meetings. Meetings of the Board of Directors of the Corporation, both regular and special, may be held at any place either within or without the State of Missouri. Members of the Board of Directors or of any committee designated by the Board of Directors may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

Section 2. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall from time to time be determined by the Board.

Section 3. Notice of Regular Meetings. After the time and place of regular meetings shall have been determined, no notice of any regular meetings need be given. Notice of any change in the place of holding any regular meeting, or any adjournment of a regular meeting, shall be given by mail, telegram, or telephone not less than forty-eight (48) hours before such meeting, to all Directors who were absent at the time such action was taken.

Section 4. Special Meetings. Special meetings of the Board, for any purpose, may be called by the Chairman of the Board on three (3) days' notice to each Director, either personally, by mail or by telegram. Upon like notice, the Secretary of the Corporation, upon the written request of a majority of the Directors, shall call a special meeting of the Board. Such request shall state the purpose or purposes of the proposed meeting. The officer calling the special meeting may designate the place for holding same.

Section 5. Quorum. At all meetings of the Board, a majority of the Directors entitled to vote shall constitute a quorum for the transaction of business, and the act of a majority of the Directors so entitled to vote, present at any meeting at which there is a quorum, shall be the act of the Board of Directors, except where otherwise provided by statute, by the Articles of Incorporation or by these By-laws. If a quorum shall not be present at any meeting of the Board of Directors, the Directors entitled to vote present thereat may adjourn the meeting, from time to time, without notice other than announcement, at the meeting that the meeting is adjourned until a quorum shall be present.

Section 6. Waiver of Notice. Any Director may waive notice of any meeting of the Board by a writing signed by him, either before or after the time of such meeting. A copy of such waiver shall be entered in the minutes and shall be deemed to be the notice required by statute or by these By-laws. Any Director present in person, or by means of conference telephone or similar communications equipment, at any meeting of the Board, shall be deemed to have thereby waived notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 7. Informal Meetings. Whenever the vote of Directors at a meeting thereof is required or permitted to be taken in connection with any corporate action by any provisions of the statutes or of the Articles of Incorporation, the meeting, any notice thereof, and vote of Directors thereat, may be dispensed with if all the Directors who would have been entitled to vote upon the action, if such meeting were held, shall consent in writing to such corporate action being taken. Such written consent shall be filed with the minutes of the Board.

Section 8. Organization. The Chairman of the Board, and in his absence, the Chief Executive Officer, and in his absence, the President, and in the absence of the Chairman of the Board, the Chief Executive Officer, the President and all the Vice Presidents, a chairman pro tem chosen by the Directors present, shall preside at each meeting of the Directors and shall act as Chairman thereof. The Secretary, and in his absence, the Assistant Secretary, and in his absence a secretary pro tem chosen by the Directors present, shall act as Secretary of all meetings of the Directors.

Section 9. Minutes and Statements. The Board of Directors shall cause to be kept a complete record of their meetings and acts, and of the proceedings of the shareholders.

ARTICLE VI - OFFICERS

Section 1. Officers. The officers of this Corporation shall be a Chairman of the Board, any number of Vice Chairmen (who may be specifically designated with a descriptive title), a President, one or more Vice Presidents (any one of whom may be specifically designated or Senior Vice President, or some particular phrase descriptive of a portion of the Corporation's business), a Secretary, one or more Assistant Secretaries, and a Treasurer, all of whom shall be chosen by the Board of Directors. Any person may hold two or more offices, except the offices of President and Secretary.

Section 2. Subordinate Officers and Employees. The Board of Directors may appoint such other officers and agents, as it may deem necessary, who shall hold their offices for such terms, and shall exercise such powers and perform such duties, as shall be determined from time to time by the Board.

Section 3. Compensation. The Board of Directors shall, from time to time, in its discretion, fix or alter the compensation of any officer or agent.

Section 4. Tenure of Office and Removal. The officers of the Corporation shall hold office until their successors are chosen and qualify. Any officer, elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of the Board of Directors. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors.

Section 5. Chairman of the Board. The Chairman of the Board shall preside at all meetings of the shareholders and the Directors. He shall perform such other duties and have such other powers as the Board of Directors may, from time to time, prescribe.

Section 6. Vice Chairman. The Vice Chairman, if any, in such order as designated by the Board of Directors, shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of the Chairman and shall perform such other duties and have such other powers as the Board of Directors or the Chairman may, from time to time, prescribe.

Section 7. Chief Executive Officer. The Chief Executive Officer shall be the ranking chief executive officer of the Company, shall have general supervision of the affairs of the Company and general control of all of its business and shall see that all orders and resolutions of the Board are carried into effect. The Chief Executive Officer may delegate all or any of his powers or duties to the President, if and to the extent deemed by the Chief Executive Officer to be desirable or appropriate.

Section 8. President. The President shall be the chief operating officer of the Company and shall, subject to the supervision of the Chief Executive Officer and the Board, have general management and control of the day-to-day business operations of the Company. The President shall put into operation the business policies of the Company as determined by the Chief Executive Officer and the Board and as communicated to him by such officer and bodies. In the absence of the Chief Executive Officer or in the event of his inability or refusal to act, the President shall perform the duties and exercise the powers of the Chairman of the Board.

Section 9. Vice Presidents. The Vice Presidents, in the order designated by the Board of Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties and have such other powers as the Board of Directors or the President may, from time to time, prescribe.

Section 10. Secretary. The Secretary shall attend all meetings of the shareholders of the Corporation and of the Board of Directors, and shall record all of the proceedings of such meetings in minute books kept for that purpose. He shall keep in safe custody the corporate seal of the Corporation, and is authorized to affix the same to all instruments requiring the Corporation's seal. He shall have charge of the corporate records, and, except to the extent authority may be conferred upon any transfer agent or registrar duly appointed by the Board of Directors, he shall maintain the Corporation's books and stock ledgers, and such other books, records and papers as the Board of Directors may, from time to time, entrust to him. He shall give or cause to be given proper notice of all meetings of shareholders and Directors, as required by law and the By-laws, and shall, with the President, or a Vice President, sign the stock certificates of the Corporation, and shall perform such other duties as may, from time to time, be prescribed by the Board of Directors or the President.

Section 11. Assistant Secretary. Each Assistant Secretary shall assist the Secretary in the performance of his duties, and may at any time, perform any of the duties of the Secretary; in case of the death, resignation, absence, or disability of the Secretary, the duties of the Secretary shall be performed by an Assistant Secretary, and each Assistant Secretary shall have such other powers and perform such other duties as, from time to time, may be assigned to him by the Board of Directors.

Section 12. Treasurer. The Treasurer shall have the custody of the corporate funds and securities, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation, in such depositories as may be designated by the Board of Directors. He shall deposit the funds of the Corporation in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Corporation, as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer, and of the financial condition of the Corporation.

ARTICLE VII - RESIGNATIONS

Any Director or officer may resign his office at any time, such resignation to be made in writing and to take effect from the time of its receipt by the Corporation, unless some time be fixed in the resignation, and then from that time. The acceptance of a resignation shall not be required to make it effective.

ARTICLE VIII - CERTIFICATES OF STOCK AND TRANSFERS

Section 1. Form and Execution of Certificates. Each shareholder of the Corporation, whose stock has been paid for in full, shall be entitled to have a certificate or certificates certifying the number of shares of stock of the Corporation owned by him. The certificates of stock shall be numbered and registered as they are issued. They shall exhibit the holder's name and the number of shares, and shall be signed by the Chairman of the Board, the Chief Executive Officer, the President or the Vice President, and the Secretary or the Assistant Secretary, and have affixed to them the seal of the Corporation.

Section 2. Restricted Stock. The Corporation shall, at all times, have the authority and discretion to place a restrictive legend on those shares of stock which may not be transferred pursuant to the various federal, state and local securities laws, rules and regulations.

Section 3. Transfer of Stock. Shares of nonrestricted stock may be transferred by endorsement thereon of the signature of the proprietor, his agent, attorney or legal representative, and such guaranties as may be required by the Transfer Agent and Registrar, and the delivery of the certificate; but such transfer shall not be valid against the Corporation until the same is so entered on the books of the Corporation and the old certificate is surrendered for cancellation.

Section 4. Registered Shareholders. The Corporation shall be entitled to treat the registered holder of any share or shares of stock, whose name appears on its books as the owner or holder thereof, as the absolute owner of all legal and equitable interest therein, for all purposes and (except as may be otherwise provided by law) shall not be bound to recognize any equitable or other claim to or interest in such shares of stock on the part of any other person, regardless of whether or not it shall have actual or implied notice of such claim or interest.

Section 5. Closing of Stock Transfer Books - Fixing Record Date. The Board of Directors shall have power to close the stock transfer books of the Corporation for a period not exceeding sixty (60) days preceding the date of any meeting of shareholders, or the date for payment of any dividend, or the date for the allotment of rights, or the date when any change, conversion, or exchange of capital stock shall go into effect; provided, however, that in lieu of closing the stock transfer books as aforesaid, the Board of Directors may fix, in advance, a date not exceeding sixty (60) days preceding the date of any meeting of shareholders, or the date of the payment of any dividend, or the date for the allotment of rights, or the date when any change, conversion, or exchange of capital stock shall go into effect, as a record date for the determination of the shareholders entitled to notice of, and to vote at any such meeting and any adjournment thereof, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise the rights in respect of any such change, conversion or exchange of capital stock, and in such case such shareholders, and only such shareholders who are shareholders of record on the date so fixed, shall be entitled to notice of, and to vote at such meeting and any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, as the case may be, notwithstanding any transfer of any stock on the books of the Corporation after any such record date fixed as aforesaid. If the Board of Directors does not close the transfer books or set a record date for the determination of the shareholders entitled to notice of, and to vote at, a meeting of shareholders, only the shareholders who are shareholders of record at the close of business on the twentieth day preceding the date of the meeting shall be entitled to notice of, and to vote at, the meeting, and any adjournment of the meeting, except that, if prior to the meeting written waivers of notice of the meeting are signed and delivered to the Corporation by all of the shareholders of record at the time the meeting is convened, only the shareholders who are shareholders of record at the time the meeting is convened shall be entitled to vote at the meeting, and any adjournment of the meeting.

Section 6. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed and the Board may adopt and approve a Comprehensive Bond offered by the Transfer Agent and Registrar. When authorizing such issue of a new certificate or certificates, the Board of Directors or the Transfer Agent and Registrant may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates or his legal representative, to advertise the same in such manner as it shall require, and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost or destroyed.

**ARTICLE IX - DEALINGS WITH COMPANIES IN
WHICH DIRECTORS MAY HAVE AN INTEREST**

Inasmuch as the Directors of this Corporation are or may be persons of diversified business interests, and are likely to be connected with other corporations with which from time to time this Corporation may have business dealings, no contract or other transaction between this Corporation and any other corporation shall be affected by the fact that Directors of this Corporation are interested in, or are directors or officers of such other corporation.

ARTICLE X - MISCELLANEOUS PROVISIONS

Section 1. Fiscal Year. The fiscal year of the Corporation shall be determined by the Board of Directors.

Section 2. Inspection of Books. The Directors shall determine, from time to time, whether, and if allowed, when and under what conditions and regulations, the accounts and books of the Corporation (except such as may by statute be specifically open to inspection) or any of them, shall be open to inspection of the shareholders, and shareholders' rights, in this respect, are and shall be restricted and limited accordingly.

Section 3. Checks and Notes. All checks and drafts on the Corporation's bank accounts, and all bills of exchange and promissory notes, and all acceptances, obligations and other instruments for the payment of money, shall be signed by such officer or officers, or agent or agents, as shall be thereunto duly authorized, from time to time, by the Board of Directors; provided, that checks drawn on the Corporation's payroll, dividend and special accounts, may bear the facsimile signatures, affixed thereto by a mechanical device, of such officers or agents as the Board of Directors may authorize.

Section 4. Dividends. The Board of Directors shall declare such dividends, as they in their discretion see fit, whenever the condition of the Corporation, in their opinion, shall warrant the same. The Board may declare dividends in cash, in property or in capital stock.

Section 5. Notices. Whenever, under the provisions of these By-laws, notice is required to be given to any Director, officer or shareholder, it shall not be construed to mean personal notice, but such notice may be given in writing by depositing the same in the post office or letter box, in a postage paid sealed wrapper addressed to such shareholder, officer or Director at such address as appears on the records of the Corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed.

ARTICLE XI - INDEMNIFICATION OF OFFICERS AND DIRECTORS AGAINST LIABILITIES AND EXPENSE IN ACTIONS

Section 1. Indemnification with Respect to Third Party Actions. The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative (other than an action by or in the right of this Corporation) by reason of the fact that he is or was a director, officer, employee or agent of this Corporation, or is or was serving at the request of this Corporation as a director, officer, employee, partner, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines, taxes and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of this Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of this Corporation, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.

Section 2. Indemnification with Respect to Actions by or in the Right of the Corporation. This Corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit by or in the right of this Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of this Corporation, or is or was serving at the request of this Corporation as a director, officer, employee, partner, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of this Corporation, except that no indemnification shall be made in respect of any claim, issue or matter if such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation, unless and only to the extent that the court in which such action or suit was brought, shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper. Any indemnification under this Article XI (unless ordered by a court) shall be made by this Corporation only as authorized in the specific instance upon a determination that indemnification of the director, officer, employee, partner, trustee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in this Article XI. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by the shareholders. To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in this Article XI, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees), actually and reasonably incurred by him, in connection with the action, suit, or proceeding.

Section 3. Payment of Expenses in Advance of Disposition of Action. Expenses incurred in defending any actual or threatened civil or criminal action, suit, or proceeding may be paid by this Corporation in advance of the final disposition of such action, suit, or proceeding, as authorized by the Board of Directors in the specific instance upon receipt of an undertaking by or on behalf of the director, officer, employee, partner, trustee or agent to repay such amount, unless it shall be ultimately determined that he is entitled to be indemnified by the Corporation as authorized in this Article XI.

Section 4. Indemnification Provided in this Article Non-Exclusive. The indemnification provided in this Article XI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-law, agreement, vote of shareholders or disinterested Directors or otherwise, both as to action in his official capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, partner, trustee or agent and shall inure to the benefit of the heirs, executors and administrator of such a person.

Section 5. Definition of "Corporation". For the purposes of this Article XI, references to this "Corporation" include all constituent corporations absorbed in a consolidation or merger, as well as the resulting or surviving corporation so that any person who is or was a director, officer, employee, partner, trustee or agent of such a constituent corporation as a director, officer, employee, partner, trustee or agent of another enterprise shall stand in the same position under the provision of this Article XI with respect to the resulting surviving corporation in the same capacity.

Section 6. Saving Clause. In the event any provision of this Article XI shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provisions of this Article XI and any other provisions of this Article XI shall be construed as if such invalid provisions had not been contained in this Article XI.

ARTICLE XII - AMENDMENTS

Subject to any and all restrictions imposed, or prohibitions provided by the General and Business Corporation Law of Missouri, these By-laws may be altered, amended, suspended, or repealed and new By-laws may be adopted, from time to time, by a majority vote of the Board of Directors.

