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SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION

FOR

AFFORDABLE COMMUNICATION SOLUTIONS, INC.

In compliance with the requirements of the provisions of Title 30, Chapter 1, Idaho Code, and for the purpose of forming a for-profit business in Idaho, the undersigned desire to form a corporation according to the following Articles of Incorporation.

ARTICLE I
Formation

- 1.1 **NAME.** The name of the Corporation is Affordable Communication Solutions, Inc.
- 1.2 **REGISTERED AGENT.** The name and location of the registered agent, and the office of the Corporation will be:

Michelle Goldie, 2121 N Curtis Road, Boise, ID 83706
- 1.3 **TERM.** The Corporation is to have perpetual existence.
- 1.4 **PURPOSE.** The purpose of the Corporation is to perform telecommunication (not a telephone company) business, and all related services together with the transactions of any and/or all other lawful business purposes for which a corporation may be formed under the Idaho Business Corporations Act.
- 1.5 The names and addresses of the incorporators are:

Michelle Goldie, 2121 N Curtis Road, Boise, ID 83706
Laurel (Larry) Goldie, 2121 N Curtis Road, Boise, ID 83706

ARTICLE II
Management

- 2.1 **BOARD OF DIRECTORS.** The number of Board of Directors of the Corporation will be specified in the By-Laws and such number may be increased or decreased in such manner as may be prescribed in the By-Laws, and in accordance with Section 30-1-803, Idaho Code, provided that the first Board of Directors will be three (3) in number. No decrease in the number of directors will have the effect of shortening the term on any incumbent director. In the case of an increase in the number of directors, the additional directors may be elected by a majority of the remaining directors even though there is less than the quorum of the new Board of Directors. The directors so elected shall hold office until the next annual meeting or at any special meeting duly called for that purpose and until the successor/s are elected and qualified.
- 2.2 The names and addresses of the first Board of Directors of the Corporation are:

Michelle Goldie, 2121 N Curtis Road, Boise, ID 83706
Laurel (Larry) Goldie, 2121 N Curtis Road, Boise, ID 83706
Chris Wagner, 1565 Silver Salmon, Meridian, ID 83642

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Such persons will hold office until the first annual meeting of the shareholders, and until the successors have been elected and qualified.

- 2.3 The Board of Directors upon such terms and conditions may make a voluntary sale, lease, or exchange of all the property and assets of the Corporation, including its good will, as it may deem expedient for the best interests of the Corporation.
- 2.4 The Board of Directors is expressly authorized to repeal and amend the By-Laws of the Corporation and to adopt new By-Laws, and the Corporation reserves the right to amend, alter, hereafter prescribed by law, by a majority vote of the stockholders, represented in person or by proxy, at any annual meeting of the stockholders or at any meeting duly called for that purpose, except where the laws of the State of Idaho otherwise provide.
- 2.5 **STOCK.** The amount of the no-par-value capital stock of this Corporation shall be and is 1000 shares of common stock. The board of directors will determine the value of the no-par-value stock at the time the shares are issued. The dividends are not cumulative.
- 2.6 Stockholders of the Corporation will have preemptive and preferential right of subscription to any shares of stock of the Corporation, whether now or hereafter authorized. Any stock issued by the Corporation will be first offered to the stockholders of the Corporation.
- 2.7 No contract or other transaction between the Corporation and any other corporation, and no act of the Corporation will in any way be affected or invalidated by the fact that any of the directors of the Corporation are pecuniarily or otherwise interested in, or are directors or officers of such other corporations. Any director individually, or any firm of which any director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction for the Corporation, provided that the fact that he/she or such firm is so interested shall be disclosed or will have been known to the Board of Directors or a majority hereof, and any director of the Corporation who is also a director or officer of such other corporations, or who is so interested, may be counted in determining the existence of a quorum at any meeting of the Board of Directors of the Corporation which will authorize any such contract or any such transaction with like force and effect as if he/she were not such director or officer of such other corporation or not so interested.
- 2.8 **ACCOUNTING.** Full and accurate books of account will be kept at such place as the Board of Directors may designate, showing the condition of the business and finances of the Corporation; and each director will have access to such books of account and will be entitled to examine such books at any time during ordinary business hours. At the end of each fiscal year, the Corporation's bookkeeper will prepare a balance sheet setting forth the financial position of the Corporation at the end of that year and a statement of operations (income and expenses) for that year. A copy of the balance sheet and statement of operations will be distributed to the Board of Directors at the annual business meeting or as it is available. Each director will be deemed to have waived all objections to any transaction or other facts about the operation of the Corporation disclosed in such balance sheet or statement of operations unless the director will have notified the Corporation in writing of objections within 30 days of the date on which such statement is mailed or hand delivered. The Corporation books will be maintained and the financial statements will be compiled on the basis used by the Corporation for federal income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.
- 2.9 **CONDUCT OF BUSINESS.** The Board of Directors will make the ordinary and usual decisions concerning the business affairs of the Corporation. No director other than by approval of the Board of Directors as provided in this Section, shall take any action to bind the Corporation, and each director will indemnify the Corporation for any costs or damages incurred by the Corporation as a result of the unauthorized action of such director. The Board of Directors, when acting in accordance with the meeting and voting provisions of this Section, will have the power, on behalf of the Corporation, to do all things necessary or convenient to carry out the business and affairs of the Corporation, including, without limitation:

- a. the institution, prosecution and defense of any Proceeding in the Corporation's name;
- b. the purchase, receipt, lease or other acquisition, ownership, holding, improvement, use and other dealing with, Property, wherever located;
- c. the sale, conveyance, mortgage, pledge, lease, exchange, and other disposition of Property;
- d. the entering into contracts and guaranties; incurring of liabilities; borrowing money, issuance of notes, bonds, and other obligations; and the securing of any of its obligations by mortgage or pledge of any of its Property or income;
- e. the conduct of the Corporation's business, the establishment of Corporation offices, and the exercise of the powers of the Company within or without the State;
- f. the appointment of employees and agents of the Corporation, the defining of their duties, the establishment of their compensation;
- g. the payment of pensions and establishment of pension plans, pension trusts, profit sharing plans, and benefit and incentive plans for all or any of the current or former Members, employees, and agents of the Corporation;
- h. the making of donations to the public welfare or for religious, charitable, scientific, literary or educational purposes;
- i. the payment or donation, or any other act that furthers the business and affairs of the Corporation;
- j. the purchase of insurance on the life of any of its Board of Directors;
- k. the participation in partnership agreements, joint ventures, or other associations of any kind with any person or persons;
- l. the indemnification of Board of Directors or any other Person.

2.10 **NO REGULAR MEETINGS REQUIRED.** Notwithstanding anything to the contrary herein, no annual or regular meetings of the Board of Directors are required. The Board of Directors may meet at such times as they mutually determine, whether at the offices of the Corporation or at such other place or in such other manner including telephone conference, as may be mutually agreed upon.

2.11 **SPECIAL MEETINGS.** Special meetings of Board of Directors may be held at any time for the purposes stated in the Notice of the Special Meeting. Any member of the Board of Directors may call special meetings at any time.

2.12 **PLACE OF MEETINGS.** All meetings of the Board of Directors will be held at the designated office of the Corporation, or at such other places within or without the State of Idaho as shall be designated in the notices or waivers of notice of such meetings.

2.13 **NOTICE OF MEETINGS.** Written notice of a meeting stating the place, date and hour, and in the case of special meetings, the purposes for which the meeting is called, shall be given to each

Board of Director member entitled to vote at the meeting not less than ten (10) nor more than sixty (60) (days before the date of the meeting).

2.14 WAIVER OF NOTICE. A Board of Director member by written Waiver of Notice signed by the member and filed in the records of the Corporation may waive notice of any meeting.

2.15 QUORUM. At all meetings, the Board of Director members present holding at least a majority vote will constitute a quorum for the transaction of business.

2.16 ACT OF MEMBERS; ACTION BY CONCENT. Except as otherwise expressly required by this Agreement, a majority vote shall constitute the act and constructive consent of the Board of Directors. Any resolution in writing signed by a majority vote of the Board of Directors entitled to vote on the resolution will be the act of the Board of Directors with the same force and effect as if the same had been passed by majority vote at a duly called meeting of the Board of Director member. Such resolution shall be signed, dated and inserted in the Books of the Company.

ARTICLE III

RESTRICTION OF TRANSFERS

3.1 TRANSFER OF A MEMBERSHIP INTEREST. A Board of Director member may not sell, assign, gift, devise, or otherwise transfer all or any portion of any interest of the member in the Corporation.

3.2 MEMBER TO MEMBER INITIATED TRANSFERS.

Subject to the terms and conditions of this Agreement (excluding only the requirement that the transfer be subject to the approval of Board of Directors), and only in the event of a Deadlock, a Board of Director member may cause a transfer of Corporation's shares as follows:

Offer to Purchase. A Board of Director member may offer in writing to purchase all of the shares held by another member at any time on terms and conditions to be specified in the written offer. The member offering to purchase the shares is defined as the "Offering Member," and the other member is defined as the "Receiving Member."

Response to Offer. The Offering Member's offer will be irrevocable for a period commencing with the day of delivery of the written offer to the Receiving Member and ending at midnight of the 30th calendar day after the day of such delivery ("Offer Period"). Prior to the expiration of the Offer Period, the Receiving Member shall deliver to the Offering Member a written acceptance of the offer, indicating whether the Receiving Member will (i) sell to the Offering Member all of the shares owned by the Receiving Member. If the written refusal is not delivered to the Offering Member prior to the expiration of the Offer Period, then the Receiving Member will be deemed to have accepted the offer to sell to the Offering Member all of the shares owned by the Receiving Member.

** "Deadlock" is defined as a situation where the Board of Directors have been unable to render a binding agreement or vote, for at least 60 days, about an operational decision that must be made (i) for the Corporation to continue to operate consistent with its intended purpose, or (ii) to avoid serious harm to any of the material interests in the Corporation or under this Agreement.

ARTICLE IV

DISSOLUTION OF A BOARD OF DIRECTOR MEMBER

4.1 DISSOLUTION OF A BOARD OF DIRECTOR MEMBER. A Board of Director member withdraws or dissociates from the Corporation ("Withdrawing Member") upon the happening of any of the following events ("Dissociation Events"). Except as expressly provided below, no other event will constitute withdrawal or dissociation from the Company.

- a. **Voluntary Dissociation.** The member withdraws by voluntary act from the Corporation by giving 14 (fourteen) days Notice to the Corporation. [Upon receipt of the required Notice, the Corporation may subsequently elect to shorten the effective date of withdrawal, but in no event will the effective date be less than five (5) days after Notice of the shortened date is delivered to the Withdrawing Member.
- b. **Removal as Member.** The member is removed by a Board of Director majority vote.
- c. **Death.** In the case of a Member who is an individual, upon the member's death.
- d. **Disability.** In the case of a member who is an individual, upon the date the member is subject to a Disability as defined in this Agreement.
- e. **Termination of Employment.** The member's employment is terminated.

4.1 Consequences of Withdrawal. Upon occurrence of a Dissociation Event, (i) the Withdrawing Member shall immediately cease to be a Member, (ii) the goodwill of the Corporation (including the Corporation name, records and files) and all other Corporation property shall belong to and shall remain solely vested in the Corporation, and (iii) the Withdrawing Member's interest shall cease to be counted or voted for all purposes.

4.3 Payment to a Withdrawing Member if the Corporation is Continued.

- a. **Withdrawal Price - General.** If the remaining members continue the Corporation, the Corporation will pay to the Withdrawing Member or such member's legal representative, the value of the Withdrawing Member's interest as of the date of dissociation as determined.
- b. **Withdrawal Price - Exceptions.** Notwithstanding the preceding, the Withdrawal Price will be deemed to be (i) \$0.00 in the event of an assignment and substitution of the Withdrawing Member's interest in the Corporation.
- c. **Terms of Payment for the Voluntary Dissociation of a Member.** In the event of the voluntary dissociation of a Board of Director member, not less than zero percent (0.00%) of the Withdrawal Price will be paid by the Corporation to the Withdrawing Member on or before the later of (i) the determination of the Withdrawal Price, or (ii) thirty days after the Withdrawing Member's voluntary dissociation. The Corporation will pay the balance of the Withdrawal Price to the Withdrawing Member in the form of a Note delivered to the

Withdrawing Member on or before the later of (i) the determination of the Withdrawal Price, or (ii) thirty days after the Withdrawing Member's voluntary dissociation. The Note (i) shall be in the form of Exhibit A, (ii) will be dated as of the date of the Withdrawing Member's voluntary dissociation, (iii) shall bear a fixed rate of interest from such date at a rate equal to the prime (base) rate on corporate loans at large U.S. money center commercial banks as published in the western edition of the Wall Street Journal (or successor publication) most recently preceding the date of the Note, (iv) shall provide for payments commencing with the first full calendar month of the Note occurring after the required time for the delivery of the Note, (v) shall be payable in equal and consecutive monthly installments sufficient to amortize the Note over the term of the Note.

- d. **Removal of a Member.** In the event of the removal of a Member, not less than zero percent (0.00%) of the Withdrawal Price shall be paid by the Corporation to the Withdrawing Member on or before the later of (i) the determination of the Withdrawal Price, or (ii) thirty days after the Withdrawing Member's expulsion. The Corporation will pay the balance of the Withdrawal Price to the Withdrawing Member in the form of a Note delivered to the Withdrawing Member on or before the later of (i) the determination of the Withdrawal Price, or (ii) thirty days after the Withdrawing Member's expulsion. The Note (i) shall be in the form of Exhibit A, (ii) will be dated as of the date of the Withdrawing Member's expulsion, (iii) will bear a fixed rate of interest from such date at a rate equal to the prime (base) rate on corporate loans at large U.S. money center commercial banks as published in the western edition of the Wall Street Journal (or successor publication) most recently preceding the date of the Note, (iv) will provide for payments commencing with the first full calendar month of the Note occurring after the required time for the delivery of the Note, (v) will be payable in equal and consecutive monthly installments sufficient to amortize the Note over the term of the Note, and (vi) shall provide that the term of the Note shall be 3 years from the date of the Note.
- e. **Death or Disability of a Member.** In the event of death or disability, the greater of available insurance proceeds, if any, or zero percent (0.00%) of the Withdrawal Price will be paid by the Corporation to the Withdrawing Member or personal representative on or before the later of (i) the determination of the Withdrawal Price, or (ii) thirty days after the Withdrawing Member's death or disability. The Corporation will pay the balance of the Withdrawal Price to the Withdrawing Member in the form of a Note delivered to the Withdrawing Member or personal representative on or before the later of (i) the determination of the Withdrawal Price, or (ii) thirty days after the Withdrawing Member's death or disability. The Note (i) will be in the form of Exhibit A, (ii) will be dated as of the date of the Withdrawing Member's death or disability, (iii) will bear a fixed rate of interest from such date at a rate equal to the prime (base) rate on corporate loans at large U.S. money center commercial banks as published in the western edition of the Wall Street Journal (or successor publication) most recently preceding the date of the Note, (iv) shall provide for payments commencing with the first full calendar month of the Note occurring after the required time for the delivery of the Note, (v) will be payable in equal and consecutive monthly installments sufficient to amortize the Note over the term of the Note, and (vi) shall provide that the term of the Note shall be 3 years from the date of the Note.

4.2 **Determination of Withdrawal Price.** The Withdrawal Price for a Withdrawing Member's interest in the Corporation will be equal to:

- a. the value of the Corporation (Agreed Value or Appraised Value as determined below); multiplied by
- b. the number of Corporation shares owned by a Withdrawing Member; and divided by
- c. the total number of Corporation shares owned by all Members at the time of the withdrawal by the Withdrawing Member.

4.3 **Company Value.** The value of the Company shall be determined as follows:

- a. **Appraised Value.** Within thirty days after the later of the Dissociation Event, or receipt by the Corporation of written notice of the Dissociation Event, and if the Corporation is continued, then the Withdrawing Member or the member's legal representative and the Corporation, at their respective costs, shall each appoint a *Member of the Appraisal Institute ("MAI") or Certified Public Accountant with business valuation experience, preferably a Certified Valuation Analyst ("CPA")* to determine the Appraised Value. The Appraised Value shall be as follows:
 - i. If the highest appraisal is less than or equal to 1.05 times the lowest appraisal, the highest appraisal shall constitute the Appraised Value.
 - ii. If the highest appraisal is greater than 1.05 times the lowest appraisal, the two *[[MAIs]] [[CPAs]]* will appoint a third *[[MAI] or CPA]*. The cost for the third *MAI or CPA* shall be divided equally between the Corporation and the Withdrawing Member or such Member's legal representative. If an appraisal is less than .90 times the middle appraisal, then such appraisal will be deemed to be equal to .90 times the middle appraisal. If an appraisal is greater than 1.10 times the middle appraisal, then such appraisal will be deemed to be equal to 1.10 times the middle appraisal. The total of the three appraisals, as adjusted, divided by three shall constitute the Appraised Value.

4.4 **Instructions to Appraisers.** The sole instructions to the appraisers rendering any valuation will be as follows:

- a. [Primary reliance will be on the income approach to value.]
[Primary reliance will be on comparable sales of comparable businesses within the geographic area that includes Idaho, Utah, Washington, and Oregon.]
- b. The value of the Corporation will be considered in place, in use, and as a going concern.
- c. The income approach, to the extent used, will give major consideration to normal current net operating income capitalized using a level perpetuity formula at the prime (base) rate on corporate loans at large U.S. money center commercial banks as published in the western edition of the Wall Street Journal (or successor publication) most recently preceding the date of withdrawal.
- d. No discount or premium will be made based on the fact that the Withdrawing Member's interest in the Corporation may be a minority or majority interest.

ARTICLE V

Dissolution and Winding Up

- 5.1 **DISSOLUTION OF THE CORPORATION.** The Corporation will be dissolved and its affairs wound up, upon the first to occur of the following events (which, unless the Board of Directors agree to continue the business, shall constitute Dissolution Events):
- a. the passage of ninety (90) consecutive days during which the Corporation has no Members;
 - b. the unanimous written consent of all of the Board of Directors; or
 - c. the entry of a decree of judicial dissolution.
- 5.2 **EFFECT OF DISSOLUTION.** Upon dissolution, the Corporation will cease carrying on as distinguished from the winding up of the Corporation business, but the Corporation is not terminated, but continues until the winding up of the affairs of the Corporation is completed and the Certificate of Dissolution has been issued by the Secretary of State.
- 5.3 **DISTRIBUTION OF ASSETS ON DISSOLUTION.** Upon the winding up of the Corporation, the Corporation Property will be distributed:
- a. to creditors, including Board of Director members who are creditors, to the extent permitted by law, in satisfaction of Corporation Liabilities;
 - b. to each Board of Director member up to an amount equal to the value of the remaining Corporation Property multiplied by the then effective ratio used for determining the member's allocable interest in Corporation income.
 - c. Liquidation proceeds will be paid within 60 days of the end of the Corporation's taxable year or, if later, within 90 days after the date of liquidation. Such distributions will be in cash or property (which need not be distributed proportionately) or partly in both, as determined by the Corporation.
- 5.4 **WINDING UP AND CERTIFICATE OF DISSOLUTION.** The winding up of the Corporation will be completed when all debts, liabilities, and obligations of the Corporation have been paid and discharged or reasonably adequate provision therefore has been made, and all of the remaining property and assets of the Corporation have been distributed to the Board of Directors. Upon the completion of winding up of the Corporation, a certificate of dissolution will be delivered to the Secretary of State for filing. The certificate of dissolution will set forth the information required by the State of Idaho.

ARTICLE VI

General Provisions

- 6.1 **Company Obligations.** The Board of Directors understand and agree that (a) the Corporation is obligated to repay various loans, equipment leases, and other obligations ("Obligations"), (b) one or more of the directors may have guaranteed an Obligation, and (c) if one or more of the directors have guaranteed an Obligation, then each non-guarantor director will be liable for contribution as if the non-guarantor director had also guaranteed such Obligation.
- 6.2 **Rights of Creditors and Third Parties under Operating Agreement.** The Articles of Incorporation is for

the exclusive benefit of the Corporation, its directors, and their successors. The Articles of Incorporation is expressly not intended for the benefit of any creditor of the Corporation or any other person. Except and only to the extent provided by applicable statute, no such creditor or third party shall have any rights under the Articles of Incorporation or any agreement between the Corporation and any Board of Director member with respect to any capital contribution or otherwise.

- 6.3 **Notices.** All notices, claims, requests and other communications ("Notices") under this Agreement (i) shall be in writing, and (ii) shall be addressed or delivered to the relevant address indicated at the end of this Agreement or at such other address as shall be given in writing by a party to the other. Notices complying with the provisions of this Section shall be deemed to have been delivered (i) upon the date of delivery if delivered in person, or (ii) five (5) calendar days after the date of the postmark on the return receipt if deposited in the United States mail, with postage prepaid for certified or registered mail, return receipt requested, unless an earlier date is indicated by the return receipt.
- 6.4 **Attorney Fees and Costs.** In the event that (a) any dispute between the Corporation and a Board of Director member should arise or (b) any action or suit is threatened or filed to interpret or enforce any rights under these Articles of Incorporation, then the prevailing party shall be entitled to collect reasonable attorney fees and other costs and expenses incurred by such party, reasonable attorney fees and other costs and expenses incurred by such party in any settlement negotiations, and reasonable attorney fees and other costs and expenses incurred by such party in preparing for and prosecuting any suit or action ("Collection Costs"). Collection Costs shall be immediately due and payable.
- 6.5 **Interest on Past Due Amounts.** Except as otherwise provided in this Agreement, all payments becoming due under this Agreement will bear interest at the Default Interest Rate. Interest shall be calculated from the due date until paid.
- 6.6 **Governing Law, Jurisdiction, and Venue.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho. The parties agree that the courts of Idaho will have exclusive jurisdiction and agree that Ada County is the proper venue.
- 6.7 **Time of the Essence.** Time is of the essence with respect to the obligations to be performed under these Articles of Incorporation.
- 6.8 **Rights Cumulative.** Except as expressly provided in these Articles of Incorporation, and to the extent permitted by law, any remedies described in these Articles of Incorporation are cumulative and not alternative to any other remedies available at law or in equity.
- 6.9 **Nonwaiver of Remedies.** The failure or neglect of a party to enforce any remedy available by reason of the failure of the other party to observe or perform a term or condition set forth in these Articles of Incorporation will not constitute a waiver of such term or condition. A waiver by a party (i) shall not affect any term or condition other than the one specified in such waiver, and (ii) shall waive a specified term or condition only for the time and in a manner specifically stated in the waiver.
- 6.10 **Successors and Assigns.** Subject to any express provisions in these Articles of Incorporation regarding restrictions on transfers shall be binding upon and inure to the benefit of the parties and their respective successors, heirs, and personal representatives.

6.11 **Entire Agreement.** These Articles of Incorporation, together with the accompanying Schedules and Exhibits, constitutes the entire agreement among the parties and supersedes all prior memoranda, correspondence, conversations and negotiations.

6.12 **Severability.** The invalidity of any portion of these Articles of Incorporation, as determined by a court of competent jurisdiction, shall not affect the validity of any other portion.

IN WITNESS WHEREOF, we have hereunto set our hands on this 23th day of December 2011.


Michelle Goldie


Laurel (Larry) Goldie

Diana Reynolds
3/25/15

