

FILED

ARTICLES OF INCORPORATION

OF

BAILEY INSURANCE AGENCY, INC.

MAY 6 4 29 PM '98

SECRET
STATE OF IDAHO

KNOW ALL PERSONS BY THESE PRESENTS, that I, the undersigned, being a natural person of full age and a citizen of the United States, in order to form a corporation for the purposes hereinafter stated, under and pursuant to the provisions of the general corporation laws of the State of Idaho, including the Idaho Business Corporation Act (the "Act"), and the acts amendatory thereof and supplemental thereto, do hereby certify as follows:

1. NAME:

The name of the corporation is:

BAILEY INSURANCE AGENCY, INC. (the "Corporation").

2. DURATION:

The Corporation is to have perpetual existence.

3. PURPOSE AND POWERS:

The purpose for which the Corporation is organized is for the transaction of any and all lawful business for which corporations may be incorporated under the Act. Without limiting the foregoing, the Corporation is specifically authorized to transact the business of insurance under license issued pursuant to Chapter 10 of the Idaho Insurance Code (Idaho Code § 41-101 *et seq.*). The Corporation shall have the power to do everything necessary, proper, advisable or convenient for the conduct of said business; and to do all other things incident thereto or connected therewith, which are not forbidden by the Act, the Idaho Insurance Code, other law, or these Articles of Incorporation.

4. SHARES:

The aggregate number of shares the Corporation is authorized to issue shall be 200, all of which shall be common voting stock. Such stock shall not be issued until fully paid for and once so issued shall be nonassessable.

IDAHO SECRETARY OF STATE

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5. Cumulative Voting:

All shareholders are entitled to cumulate their votes for directors (that is, they are entitled to multiply the number of votes they are entitled to cast by the number of directors for whom they are entitled to vote and cast the product for a single candidate or distribute the product among two (2) or more candidates).

6. PREEMPTIVE AND PREFERENTIAL RIGHTS:

Stockholders of the Corporation shall have preemptive and preferential rights of subscription to any shares of stock of the Corporation, whether now or hereafter authorized, and to any obligations of the Corporation convertible into stock. Any stock or obligations convertible into stock issued by the Corporation shall be offered first to the stockholders of the Corporation.

7. INITIAL REGISTERED OFFICE AND AGENT:

The location and the physical address of the initial registered office of the Corporation and its registered agent is as follows:

	<u>Physical Address</u>
Registered Office:	277 N. 6th Street, Suite 200 Boise, Idaho 83702
Registered Agent:	Karl T. Klein

8. DIRECTORS:

All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation managed under the direction of, its board of directors, subject to any limitation set forth in a shareholder agreement authorized under section 30-1-732, Idaho Code. The initial number of directors of the Corporation shall be one (1), which director is to serve until the first annual meeting of the stockholders, or until his successor(s) is elected and qualified, and such number may from time to time be increased in such manner as may be prescribed in the Bylaws. In case of any increase in the number of directors, the additional directors may be elected by the directors then in office, and the directors so elected shall hold office until the next annual meeting of the stockholders and until their successors are elected and qualified.

The initial directors shall be:

<u>Director's Name</u>	<u>Address</u>
Robert M. Bailey	529 Americana Blvd. Boise, Idaho 83702
Mitzi Bailey	529 American Blvd. Boise, Idaho 83702

9. INCORPORATOR:

The name and address of the incorporator of the Corporation is as follows:

<u>Incorporator's Name</u>	<u>Address</u>
Karl T. Klein	Givens Pursley, LLP 277 North 6th Street, Suite 200 P.O. Box 2720 Boise, Idaho 83701

10. OTHER PROVISIONS:

10.1. Transactions Between Corporations, Officers and Directors. Without in any way limiting the provisions of Idaho law, no contract or other transaction between the Corporation and no act of the Corporation shall 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 another corporation; 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 of the Corporation, provided that the fact that such director or firm is so interested shall be disclosed or shall have been known to the Board of Directors of the Corporation. Any director of the Corporation who is also a director or officer of such other corporation, 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 shall authorize any such contract or such transaction with like force and effect as if he were not such director or officer of such other corporation or not so interested.

10.2. Stockholder Liability. Without in any way limiting the provisions of Idaho law, the private property of the stockholders of the Corporation shall not be subject to the payment of corporate debts to any extent whatever, the stock of the Corporation shall not be subject to the payment of corporate debts to any extent whatever, and the stock of the Corporation shall not be subject to assessment for the purposes of paying expenses, conducting business, or otherwise paying debts or discharging obligations of the Corporation.

10.3. Director and Officer Liability. Without in any way limiting the provisions of Idaho law, the private property of the officers and Directors of the Corporation shall not be subject to the payment of corporate debts to any extent whatsoever. No officer or Director shall be personally liable to the corporation or its stockholders for damages for breach of fiduciary duty as a Director or officer, except that officers and directors shall be personally liable for: (a) acts or omissions that involve fraud, malfeasance, misfeasance, gross-negligence, or a knowing violation of law, and (b) for the payment of distributions in violation of Idaho Code Section 30-1-48 or its successor.

10.4. Indemnification. The Corporation shall indemnify the directors and officers of the corporation to the fullest extent permitted by the Idaho Business Corporation Act and other applicable law, and as provided in the Bylaws, as the same exist or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide broader indemnification rights than the Idaho Business Corporation Act and other applicable law permitted the corporation to provide prior to such amendment).

IN WITNESS WHEREOF, I have hereunto set my hand and seal effective as of the 6th day of May, 1998.

Karl T. Klein
Karl T. Klein, Incorporator