

State of Idaho

Department of State

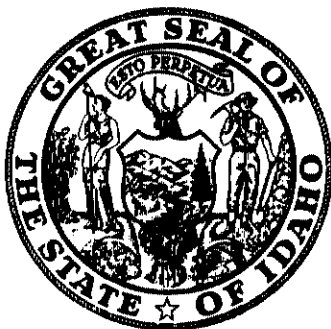
CERTIFICATE OF INCORPORATION OF

ADVANTAGE FITNESS, INC.

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of the above named corporation, duly signed pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: December 7, 1992



Pete T. Cenarrusa
SECRETARY OF STATE

By

[Signature]

ARTICLES OF INCORPORATION

OF

ADVANTAGE FITNESS, INC.

RECEIVED
SEC. OF STATE

'92 DEC 7 AM 8 34

The undersigned incorporators desiring to form a corporation pursuant to the provisions of the Idaho Business Corporation Act, adopt the following Articles of Incorporation:

ARTICLE 1
NAME

The name of the corporation is ADVANTAGE FITNESS, INC..

ARTICLE 2
PURPOSE

The purpose of the corporation is to engage in the business of manufacturing, fabricating, assembling, marketing, buying, selling, importing and exporting physical therapy equipment and other products and to also engage in any and all business, acts or things necessary, proper or convenient for or incidental to the carrying out of the powers or purposes herein mentioned. The corporation may also purchase, own, lease, or sell real and personal property; enter into leases as landlord or tenant; to perform or do any act customarily performed or done by a manufacturer, distributor, wholesaler or retailer of goods and equipment.

The corporation may also conduct business and otherwise carry out its purposes and exercise its powers in any state, territory, district or possession of the of the United States, or any foreign

IDAHO SECRETARY OF STATE
19921207 0900 35302 2
CR 61 3116 COSTS 1
CORPORATIO 10 60.00= 60.00

ARTICLES OF INCORPORATION -1-

✻

country, to the extent that these purposes and powers are not forbidden by the law of the state, territory, district or possession of the United States, or by the foreign country; and it may limit the purpose or powers that it proposes to carry out or the powers it proposes to exercise in any application to do business in any state, territory, district or possession of the United States, or any foreign country.

ARTICLE 3 DURATION

The period of duration of the corporation is perpetual.

ARTICLE 4 REGISTERED OFFICE AND AGENT

The name of the initial registered agent for the corporation is Matthew Merten; and the address of the corporation's initial registered office shall be Matthew Merten, c/o J. T. Diehl, 506 N. Second Avenue, Sandpoint, Sandpoint, Idaho 83864.

ARTICLE 5 CAPITAL STOCK

The corporation is authorized to issue two classes of shares of stock to be designated as "preferred" and "common", respectively; the total number of shares that may be issued by this corporation is One Hundred Thousand (100,000) shares without par value, Ten Thousand (10,000) shares to be preferred shares and Ninety Thousand (90,000) shares to be common shares. All or any part of the shares of the common and preferred capital stock may be issued by the corporation from time to time and for such consideration as may be determined upon and fixed by the Board of

Directors, as provided by law, with due regard to the interest of the existing shareholders; and when such consideration has been received by the corporation, such shares shall be deemed fully paid.

The nature and extent of the preferences, rights, privileges, and restrictions granted to or imposed upon the holders of the respective classes of stock are as follows:

a. The holders of the preferred stock shall be entitled to receive out of the surplus of the corporation a non-cumulative dividend at the rate of twelve (12%) percent per annum, payable annually, before any dividend shall be set apart or paid on the common stock for such year, and the remainder of the surplus or net earnings applicable to the payment of dividends shall be distributed as dividends among the holders of the common stock, as and when the Board of Directors determines.

b. In the event of liquidation or dissolution or winding up (whether voluntary or involuntary) of the corporation, the holders of the preferred stock shall be entitled to a pro rata refund of their investment for such preferred shares before any amount shall be payable to the holders of the common shares; and, after payment to the holders of the preferred stock, the balance of the assets and funds of the corporation shall be distributed wholly among the holders of the common stock pro rata

according to their respective shares.

c. The corporation shall have the right from time to time to purchase, redeem, retire, and cancel any or all, of the outstanding preferred stock of the corporation, on any dividend date or upon ninety (90) days written notice to the holder or holders of the preferred stock to be purchased, redeemed, retired or canceled, in such manner and amounts as the Board of Directors may determine, by paying to the respective holders of the stock so retired a sum equal to the amount paid by the preferred stock holder at the time of the original purchase of the shares.

d. No shareholders shall pledge, mortgage, sell or otherwise transfer all or any portion of his capital stock unless it shall first be offered to the corporation at a price no greater than a bona fide offer by any third party, which offer shall be open to the corporation for a period of sixty (60) days. In the event any of said stock is not purchased by the corporation during such period, it shall be offered first to the remaining common shareholders in the same proportion as their respective stock interests, for a like price and for a similar period of time; and then to the preferred shareholders in the same proportion as their respective stock interests. Should any of the remaining stock holders decline to

purchase his proportionate share of said stock during such period, that share shall be offered to the then remaining shareholders for a like price and for a similar period of time. In the event that any of said stock is not purchased by the corporation or the shareholders, the remaining stock may then be sold by the shareholder at the price of the bona fide offer of the third person. Notice of this restriction shall appear on all stock certificates.

ARTICLE 6 DIRECTORS

The number of directors constituting the initial board of directors is two (2) and the names and addresses of the persons who are to serve as directors until the first annual meeting of the shareholders or until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
Louis J. Stack	4515 1st ST. S.E. Calgary, Alberta CANADA T2G 2L2
Luke H. Stack	Box 1859 Stn. A Kelowna, BC V1Y 8P2

ARTICLE 7 INCORPORATORS

The name and address of each incorporator is:

<u>Name</u>	<u>Address</u>
Louis J. Stack	4515 1st ST. S.E. Calgary, Alberta CANADA T2G 2L2

Luke H. Stack

Box 1859 Stn. A
Kelowna, BC V1Y 8P2

**ARTICLE 8
REGULATION OF INTERNAL AFFAIRS**

The initial Bylaws shall be adopted by the Board of Directors. The power to alter, amend, or repeal the Bylaws or to adopt new Bylaws shall be vested in the Board of Directors. The Bylaws may contain any provision for the regulation and management of the affairs of the corporation not inconsistent with the corporate laws of the State of Idaho or these Articles of Incorporation.

EXECUTED in duplicate on this 24 day of November 1992.



LOUIS J. STACK


LUKE H. STACK

STATE OF IDAHO)
) ss.
County of Bonner)

On this 13th day of November, 1992, before me, a Notary Public in and for said State, personally appeared LOUIS J. STACK, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year last above written.


NOTARY PUBLIC—State of Idaho
Residing at: Sandpoint
My Commission Expires: 9-5-98

BRITISH COLUMBIA

Province of _____

) ss.

KS

On this 24 day of NOVEMBER, 1992, before me, a Notary Public in and for said Province, personally appeared LUKE H. STACK, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year last above written.

Kenneth W. Sabey
NOTARY PUBLIC--BRITISH COLUMBIA
Residing at: _____
My Commission Expires: KS
does not expire

KENNETH W. SABEY
BARRISTER & SOLICITOR
#202 - 1433 St. Paul Street
Kelowna, B.C. V1Y 2E4