

CERTIFICATE OF INCORPORATION OF

THE PADDOCK, 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: January 14, 1986



SECRETARY OF STATE

hv:

ARTICLES OF INCORPORATION

OF

THE PADDOCK, INC.

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We, the undersigned natural persons of the age of twentyone years or more, acting as incorporators of a corporation under the laws of the State of Idaho, adopt the following Articles of Incorporation for such corporation:

ARTICLE I CORPORATE NAME

The name of the corporation is The Paddock, Inc.

ARTICLE II PERIOD OF DURATION

The corporation shall have perpetual succession by its corporate name and shall exist until it is dissolved according to law.

ARTICLE III CORPORATE PURPOSES

The purposes for which the corporation is organized are:

- To own, develop, manage, and collect receipts from a lounge presently known as the Paddock Lounge, in Payette, Idaho, and to operate the same advantageously for the owners.
- 2. To acquire by purchase, lease, manufacture, or otherwise, any personal property deemed necessary, useful or convenient in the equipment, furnishing, improvement, development or management of the lounge or of any real or personal property, at any time owned, held, or occupied by the corporation; to invest, trade and deal in any personal property deemed beneficial to the corporation; and, to encumber or dispose of any personal property at any time owned or held by the corporation.
- 3. To enter into, make and perform contracts of every kind, for every lawful purpose, without limit as to amount.
- 4. To acquire by purchase, lease or otherwise, the good will, business, property, assets, franchises and rights, in whole or in part, of any person, firm, association or corporation, and to assume all or any of the liabilities thereof and pay for the same in cash or with the stock of this corporation or its debentures, bonds, or otherwise; and, to hold, maintain, operate and conduct, as well as in any manner

dispose of, the whole or any part of the property so acquired, but always in accordance with and subject to law.

- 5. To borrow money and contract debts when necessary for the transaction of the business of the corporation and for the exercise of its corporate rights or franchises and for any of the purposes of the corporation, debentures and other promissory notes, bills of exchange, debentures and other obligations in evidence of indebtedness, payable at specific time or times or payable upon the happening of a specified event or events, and when necessary to secure the same or any part thereof by real estate or chattel mortgage, pledge, assignment or otherwise, for money borrowed or goods purchased or for payment of property purchased or acquired, or for any other lawful obligation; also to issue, sell, and dispose of certificates of investment or participation certificates.
- To loan the funds of the corporation upon notes, bonds, mortgages, deeds of trust, debentures or other securities, or upon any property, real, personal, mixed or otherwise.
- 7. To do each and everything necessary, suitable, or proper for the accomplishment of any of the purposes or the attainment of any one or more of the purposes herein enumerated, or which shall at any time appear conducive to or expedient for the protection or benefit of the corporation.
- 8. To do each and all things above set forth to the same extent and as fully as natural persons might or could do in this state or in any other state, country, or place.
- o. The foregoing provisions shall be construed both as purposes and powers and shall in no wise be limited or restricted by reference to, or inference from, the terms of any other provisions in this or any other article; and it is hereby expressly provided that the foregoing provisions shall not be held to limit or restrict in any manner the powers of the corporation formed thereunder, and the corporation shall have and may exercise all of the powers conferred upon it by law.

ARTICLE IV AUTHORIZED SHARES

The aggregate number of shares which the corporation shall have authority to issue is Eight Hundred (800) shares of One Hundred Dollar (\$100.00) par value stock.

ARTICLE V PRE-EMPTIVE RIGHT OF SHAREHOLDERS

- 1. The pre-emptive right of shareholders to acquire additional or treasury shares of the corporation or the shares of any other shareholder shall not be limited or denied.
- 2. All transfers of shares or stock certificates, whether by sale or otherwise, and whether voluntary or involuntary shall be subject to the rights of existing shareholders to purchase said shares or stock certificates as set forth in the Bylaws or Shareholders Agreements.

ARTICLE VI REGISTERED OFFICE AND AGENT

The address of the corporation's initial registered office shall be Rt. 1, Box 298A, Payette, Idaho. The corporation's initial registered agent at such address shall be John L. Ortega.

ARTICLE VII BOARD OF DIRECTORS

The number of directors constituting the initial Board of Directors of the corporation is three, provided, however, that the number may be changed by resolution of the Board of Directors to any number between three and seven inclusive. The members of the Board of Directors need not be stockholders of the corporation. 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 shall qualify are:

NAME ADDRESS

John L. Ortega Rt. 1 Box 298A

Payette, Idaho 83661

Carol Ortega Rt. 1 Box 298A

Payette, Idaho 83661

Susanne D. Behrmann P. O. Box 931

New Plymouth, Idaho 83655

The name and address of each incorporator is:

John L. Ortega Rt. 1 Box 298A

Payette, Idaho 83661

Carol Ortega Rt. 1 Box 298A

Payette, Idaho 83661

Susanne D. Behrmann P. O. Box 931

New Plymouth, Idaho 83655

ARTICLE VIII REGULATION OF INTERNAL AFFAIRS

Provisions for the regulation of the internal affairs of the corporation are to be found by the Bylaws of the corporation.

ARTICLE IX SMALL BUSINESS STOCK ELECTION

Election is made under the provisions of Section 1244 of the Internal Revenue Code, 1954, qualifying 30,000 shares of capital stock of the corporation as Section 1244 Small Business Stock. This election provides the shareholders the right to treat the shares of stock of this corporation, (issued under this election), if the same become worthless, as an ordinary loss rather than a capital loss for tax purposes.

DATED this 31st day of Dec , 1985.

John L. Ortega

Carol Ortega

Susanne D. Behrmann

STATE ()F]	DAHO)
)ss.
County	of	Payette)

I, the undersigned Notary Public, in and for said State, hereby certify that on the 31st day of , 1985, personally appeared before me, JOHN L. ORTEGA and CAROL ORTEGA, who, being by me first duly sworn, severally declare that they are the persons who signed the foregoing document as incorporators and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 314 day of Dec., 1985.

NOTARY PUBLIC
Residing at:
Commission Expires: Life

STATE OF IDAHO))ss County of Payette)

I, the undersigned Notary Public, in and for said State, hereby certify that on the 31 day of 1, 1985, personally appeared before me, SUSANNE D. BEHRMANN, who, being by me first duly sworn, severally declare that they are the persons who signed the foregoing document as incorporators and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 31st day of ______, 1985.

NOTARY/PUBLIC
Residing at: State of the Commission Expires: Live