

ARTICLES OF INCORPORATION
OF THE
HOME BUILDING AND LOAN ASSOCIATION OF NAMPA, IDAHO.

State of Idaho,)
County of Canyon } SS.

We the undersigned, bona fide residents
of the State of Idaho, do hereby certify:

ARTICLE I.

That we do hereby voluntarily associate ourselves together for the purpose of organizing a corporation under the general laws of the State of Idaho- relating to building and loan associations.

ARTICLE II.

The name of the said corporation shall be THE HOME BUILDING AND LOAN ASSOCIATION OF NAMPA, and it shall exist for a period of fifty years from the date of its incorporation.

ARTICLE III

The object, business and pursuit of this corporation isto take, own and conduct the business of accumulating by cooperation and otherwise, a fund to be loaned to the members and stockholders; to issue debenture bonds bearing a fixed rate of interest; to borrow money for the purpose of loaning the same to its members and stockholders and for the further purpose of paying claims of withdrawing stockholders and to negotiate, hypothecate and otherwise dispose of real estate security and to perform all things incident to the conduct of such business as is usually administered by builing and loan associations, and to purchase, own and hold all such realestate, personal property and lease-hold interests as may be necessary for the successful carrying on of such business; and the said corporation may hereafter engage in and associate itself with organizations

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carrying on the business of conducting and managing establishments devoted to so called rural credits.

ARTICLE IV.

The principal office of the said corporation, and the place where it will engage in its principal business is in the City of Nampa, Canyon County, State of Idaho, but nothing herein contained shall be construed to limit the field of activity on which the said corporation may operate.

ARTICLE V.

THE CAPITAL STOCK of this corporation shall be ONE MILLION DOLLARS, divided into TEN THOUSAND shares of the par value of ONE HUNDRED DOLLARS each; provided, the capital stock may be increased from time to time as may be provided by the laws of the State of Idaho. THE CAPITAL STOCK shall be divided into two classes; to be known as GENERAL STOCK and RESERVE FUND STOCK.

THE SAID GENERAL STOCK shall be classified as a preferred stock on which the said corporation will be bound to pay dividends at the rate of seven per cent per annum on the par value of said stock subject to the limits and conditions to be hereinafter incorporated in the BY LAWS of the said corporation, and the amount of the said General Stock or preferred stock issued and outstanding shall at no time exceed TWO THIRDS of the Capital Stock paid in cash or property.

THE GENERAL STOCK aforesaid may be divided into such classes as shall be determined by the BY LAWS and by resolution of the Board of Directors.

The permanent RESERVE FUND STOCK shall guarantee to the holders of all other classes of stock that the

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expenses of managing and developing the company's business shall not exceed the amount set apart for the payment of expenses under this charter, and any expense of managing and developing the company in excess of the sum set apart for this purpose shall be paid from the sum paid in on this stock; provided further, however, that in connection with the payment of expenses of the company there shall be kept an account called EXPENSE PAID ACCOUNT and in the event of the withdrawal of any GENERAL STOCK upon which installments are payable monthly, and in the event that such withdrawing stockholders are allowed to receive as part of the value of their stock, the amounts deducted for the general fund from the installments paid by them, then such sum credited to the general fund on account of such stock shall be charged to the said Expense Paid Account and shall be deducted from the profits of the company before declaring of any dividends.

THE PERMANENT RESERVE FUND STOCK shall be entitled to as dividends all of the profits of the said company after all expenses are paid and after the payment of all dividends payable upon the said general stock hereinbefore designated as the preferred stock.

None of the payments made upon said permanent RESERVE FUND STOCK shall be withdrawable by the holders thereof until all claims of all creditors and holders of GENERAL STOCK shall have been fully paid and liquidated. And IN CONSIDERATION of the liability assumed by the holders of said permanent RESERVE FUND STOCK, it is specifically agreed that no other stock which may be issued by the said corporation shall have any voting power in connection with the election of officers or management, direction or control of any of its business affairs.

ARTICLE VI.

The funds of this corporation shall be divided into a loan fund, a general fund and a permanent reserve fund. The loan fund shall consist of all receipts from installments on general stock less deduction for the general and reserve funds,

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proceeds from the sale of debenture bonds, repaid loans, proceeds from the sale of real estate, loan dues, interest and premiums. Said fund shall be charged, however, with the expenses paid account heretofore referred to. The GENERAL FUND shall be credited with ten cents per share per month upon installment stock, except permanent RESERVE FUND STOCK; such amount upon all other classes of stock which may hereafter be created as the Board of Directors shall determine or provide for in the BY-LAWS of the corporation: All fines and fees, except attorney's fees and appraisal fees and dividends from the general earnings of the company on the full amount to the credit of said stock during a dividend earning period.

THE PERMANENT RESERVE FUND STOCK shall be credited with the entire proceeds of the sale of the permanent reserve fund stock, together with two percent of the receipts from installments upon general stock, debenture bonds and also proceeds arising from forfeiture of dividends of said withdrawing stockholders, also the net value of the forfeited stock. The LOAN FUND shall not be charged with any loss or expense of any kind, except, taxes, and special assessments, fire insurance and expenses returned to withdrawing stockholders as shown by the EXPENSES PAID ACCOUNT above referred to.

The matter of returning to withdrawing stockholders the amount contributed by them for expenses from the EXPENSES PAID ACCOUNT is hereby committed to the discretion and control of the BOARD OF DIRECTORS of the corporation, and they shall have authority either by resolution or by provision in the BY-Laws to regulate that matter.

THE GENERAL FUND shall be charged with all expenses of management, except the amounts returned to withdrawing stockholders as shown by the expenses paid account.

THE RESERVE FUND shall be charged with all losses arising from the depreciation of securities or otherwise, but shall not be chargeable with other expenses, taxes or fire insurance of special assessments; provided that a failure upon the part of

the company to enforce any of its contracts on account of the fact that a court shall hold the same to be illegal or unenforceable shall not be considered a loss. The RESERVE FUND may be loaned on real estate security as other funds of the company may be loaned and all payments on such loans so made from the RESERVE FUND shall be credited back to said fund as installments mature. None of the securities represented by loans made from the reserve fund shall be hypothecated as collateral and no debenture BONDS shall be issued thereon. Said security shall be always held by the company as a guarantee for the payment of debts, dividends and liabilities as hereinafter expressed as chargeable to said reserve fund.

ARTICLE VII.

THE OFFICERS OF THIS CORPORATION shall consist of Office of Director, President, vice-president, secretary, treasurer, general manager, and three members of the Executive or finance committee, the necessary qualifications to become a member of the board of directors of this corporation or to be elected to any of the above named offices of the corporation is that the person so elected or chosen must be the owner of at least ten shares of the PERMANENT RESERVE FUND STOCK of the corporation, and shown on the books of the company as such owner at the time of his election and during all of the time he serves in any of the above named offices set out in this Article.

Any officer or director may resign by filing a written resignation with the secretary which shall take effect from the time of its acceptance by the Board of Directors, and any officer or director may be removed for a good cause shown at any time at a regular or special meeting called for that purpose; provided, that a majority of all permanent RESERVE FUND STOCK in force must be voted in favor of such removal, before the same

can be made. Any vacancy caused by the resignation, death or other disability of any of the officers or directors of this company shall be filled from the Board of Directors for the unexpired term.

ARTICLE VIII.

The term of office of the officers of this corporation shall be one year or until their successors shall be elected and duly qualified, unless by death, resignation or removal as herein before provided.

ARTICLE IX.

The Board of Directors shall consist of FIVE members who shall be elected at the first meeting of the subscribers to the Capital Stock of this corporation after the issuance of its charter and annually thereafter, at the yearly meeting of the stockholders on such day as may be designated by the By-Laws, hereafter to be adopted. A Majority vote of the permanent RESERVE FUND STOCK subscribed and outstanding shall be necessary and sufficient to constitute an election of said Board of Directors. The President, vice president, secretary, treasurer, general manager, and members of the executive finance committee, shall be elected at the annual stockholders meeting from the members of the Board of Directors by a majority vote of the holders of the permanent RESERVE FUND STOCK, and the duties of said officers will be prescribed in the code of BY-LAWS of the corporation to be adopted hereafter.

ARTICLE X.

In addition to the other officers of this company there shall be an executive finance committee consisting of three members, one of whom shall be the General Manager, who shall all be members of the Board of Directors. The Executive finance Committee shall determine the form and wording of the applications for loans and certificates of stock and all the literature of the company; they shall have charge of the employment of agents and others necessary for the proper conducting

and development of the company's business; they shall fix the compensation and bonds of all of the officers and employees and shall have charge of the financing of the corporation and shall certify to all vouchers for the expenses of the management for presentation and payment by the treasurer; shall pass upon all applications for loans which may be made to the company; they shall sign all warrants for presentation and payments by the treasurer against any of the funds of the company; shall have in charge disbursement of all sums for the payment of withdrawing interest, payment of loans, debentures on borrowed money and dividends.

The said committee shall report their action at the first subsequent meeting of the board of directors from time to time. The unanimous vote of the said committee shall be required to adopt any rule or regulation, to accept any application for loan or do any other act within their jurisdiction which may be binding upon the company. In the event of the disagreement by the said committee upon any matter, the same shall be referred to the Board of Directors whose action thereon shall be final. In the event of the absence of one member of the said committee loans may be approved by the remaining two members of the committee with the concurrence of the President or vice president, and such remaining two members of the committee may sign the warrants upon the treasurer for the disbursement of the company funds.

ARTICLE XI.

The Board of Directors shall have charge of the management of the affairs of this company and shall exercise the general corporate powers of the company, subject to the provisions of Article X. A majority of the board of Directors shall constitute a quorum and the affirmative vote of the majority of the board shall be necessary to adopt any measures binding upon the company. Less than

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a quorum of the board may adjourn from time to time to a stated day until a quorum shall be present.

ARTICLE XII.

The plan upon which this company shall make its loans is substantially as follows: Loans shall be made only to persons who have subscribed for shares of Capital Stock in the company, and said stock shall be paid for in monthly installments and upon such conditions as shall be determined by the Board of Directors or the executive finance committee.. Any person subscribing for any class of stock in any amount shall be regarded as a stockholder in the company for the purpose of the loan, excepting holders of the permanent RESERVE FUND STOCK. The stockholders must apply for loans upon the form and under the regulations prescribed by the executive finance committee. Loans must all be secured either by first liens on improved real estate of double the value of the amount loaned, or by first lien on the stock of the company.

The amount loaned on capital stock shall not exceed ninety per cent of the amount paid in on the par value of the stock. All such security shall be approved by the executive finance committee. The amount loaned shall be repaid with interest at the rate to be determined by the executive finance committee, by means of monthly installments. The number and the amount of the installments and the date of paying the same shall be regulated by the executive finance committee. As far as possible the borrower shall pay all expenses of the making of the loan, including the agent's commission, the cost of making the abstract, the attorney's fee for its examination, the fees of appraisers and the office expenses incident to correspondence, making papers, negotiating the loan and recording mortgages. The payment of such expense shall be provided for by the executive finance committee or board of directors in the literature of the company.

ARTICLE XIII.

In addition to the purposes of this corporation as hereinbefore expressed, the said corporation may purchase real estate, improve the same and sell such improved or any unimproved real estate upon such terms as the said executive finance committee shall specify; provided ~~that~~ the amount of the real estate held by this company shall never exceed any statutory limitation thereon now in force or hereafter adopted by the laws of the State of Idaho.

ARTICLE XIV.

ALL SURPLUS PROFITS FROM THE BUSINESS of this corporation shall be credited to the permanent reserve fund, and subject to the liability of said permanent reserve fund hereinbefore specified, all such surplus profits shall belong to the holders of the said permanent RESERVE FUND STOCK; provided, that the board of directors need not declare any dividends on said permanent reserve fund stock until after the business of said corporation shall have been conducted five years, but all such profits shall be credited to said permanent RESERVE FUND ~~\$1000~~ and managed in the same manner as receipts from the sale of said stock so credited to said fund.

ARTICLE XV.

The amount of the Capital Stock of said corporation actually subscribed at or before the execution of this instrument is as follows:

| NAME OF SUBSCRIBER | NO OF SHARES | PAR VALUE |
|--------------------|--------------|------------|
| Walter E. Miller | 25 | \$ 2500.00 |
| J. H. Cowell | 25 | 2500.00 |
| R. H. Gilbert | 20 | 2000.00 |
| S. D. Mc Lain | 15 | 1500.00 |
| D. L. Mc Bane | 15 | 1500.00 |

IN WITNESS WHEREOF, we have hereunto set our hands and

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seals this 6th day of January 1920.

Walter E. Miller,
J. H. Cowell
R. N. Gilbert
S. D. Mc Lain
D. L. Mc Bane

State of Idaho,)
County of Canyon) SS.
)

On this 6th day of January
1920, before me Frank Eatabrook, a Notary Public, in
and for said County and State personally appeared
Walter E. Miller, J. H. Cowell, S. D. Mc Lain, R. N.
Gilbert and D. L. Mc Bane
known to me to be the persons whose names are subscribed
to the within instrument and acknowledged to me that they
executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my notarial seal, at Nampa, Idaho,
the day and year in this certificate first
above written.

My commission expires
Dec. 20th 1923.

Frank Eatabrook
Notary Public for the State of Idaho.
Residing at Nampa, Idaho.

Idaho.

