

# ARTICLES OF ORGANIZATION LIMITED LIABILITY COMPANY

To the Secretary of State of Idaho,  
Statehouse, Boise, Idaho 83720

NOV 10 1 16 PM '97



SECRETARY OF STATE  
STATE OF IDAHO

1. The name of the limited liability company is: AV UNION, L.L.C.
2. The address of the initial registered office is: 1435 Malad St., Boise, ID 83705  
(not a PO Box) and the name of the initial registered agent at that address is: Kathleen K. Weber
3. The latest date certain on which the limited liability company will dissolve: December 31, 2027
4. Is management of the limited liability company vested in a manager or managers?  
 Yes       No (check appropriate box)
5. If management is vested in one or more manager(s), list the name(s) and address(es) of at least one initial manager. If management is vested in the members, list the name(s) and address(es) of at least one initial member.

Name:

Address:

AV, Inc.

1435 Malad St., Boise, Idaho 83705

6. Signature of at least one person listed in #5 above:

AV, Inc.

By:

Kathleen K. Weber

Kathleen K. Weber, President

IDAHO SECRETARY OF STATE  
Secretary of State use only

11/10/1997 09:00  
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ADDENDUM  
TO  
ARTICLES OF ORGANIZATION  
FOR  
AV UNION, L.L.C.

THIS ADDENDUM to the Articles of Organization for AV Union, L.L.C., and Idaho Limited Liability Company ("Company") is made this 7th day of November, 1997, and is intended to be supplement the statutory required form of the Articles of Organization for said Company.

The Company, as provided, hereafter, has been created and will exist as a "single purpose entity" and the following provisions relate thereto.

**Section 1. Single Purpose Entity - Limitation on Business and Investments of Company.** The business and investments of the Company shall be limited to the purchase, ownership, development, improvement, operation, management, maintenance, leasing, sale and to otherwise deal in and with the real property (and improvements thereon) described on "Exhibit A" attached hereto and made a part hereof (hereafter "Real Property"), and the personal property used in connection with the Real Property, and the businesses conducted thereon and therefrom, which Real Property (and improvements thereon), the personal property and businesses comprise the Stor-It Rental Storages located on the Real Property which is commonly known as 1435 Malad Street, Boise, Idaho (said Real Property, the improvements thereon, the personal property and the businesses are herein collectively called "Subject Property"). Neither the Company nor any Member of the Company shall have the right to enter into any other unrelated transaction in the name of the Company and the Company shall not undertake any business or investment in its name, or otherwise, except in connection with the Subject Property. With respect to the Subject Property, the Company shall have the right to transact any and all businesses for which Limited Liability Companies may be formed under the law of the State of Idaho, with its sole and limited business and purpose being the ownership, development, construction, improvement, leasing, management and operation of the Subject Property and such other activities as are reasonably related thereto.

The Company shall only incur indebtedness in an amount necessary to acquire, operate and maintain the Subject Property. So long as any mortgage lien in favor of First Union National Bank, or its successors or assigns (hereafter "First Mortgage") exists on any portion of the Subject Property, the Company shall not (i) incur, assume or guaranty any other indebtedness; (ii) dissolve or liquidate, or consolidate or merge with or into any other entity; (iii) convey or transfer its properties and assets substantially as an entirety or transfer any of its beneficial interests to any entity; (iv) voluntarily commence a case with respect to itself, as debtor, under the Federal Bankruptcy Code or any similar federal or state statute without the unanimous consent of all of the Members of the Company, which shall include AV, Inc., the Managing Member of the Company; or (v) make or allow to be made any material amendment to the Operating Agreement of the Company or these Articles of Organization of the Company without first obtaining approval of the mortgagee holding the First Mortgage on any portion of the Subject Property.

**Section 2. Separateness Covenants.** For so long as the First Mortgage exists on any portion of the Subject Property, in order to preserve and ensure its separate and distinct identity, in addition to the other provisions set forth in this Addendum to Articles of Organization and/or the Operating Agreement for the Company, the Company shall conduct its affairs in accordance with the following provisions:

- (a) The Company shall establish and maintain an office through which its business shall be conducted separate and apart from that of any of its Members or affiliates and shall allocate fairly and reasonably any overhead for shared office space.
- (b) The Company shall maintain records and books of account separate from those of any Member or affiliate.
- (c) The Company shall observe all limited liability company formalities.
- (d) The Company shall not commingle assets with those of any Member or affiliate.
- (e) The Company shall conduct its own business in its own name.
- (f) The Company shall maintain financial statements separate from any Member or affiliate.
- (g) The Company shall pay any liabilities out of its own funds, including salaries of any employees, not funds of any Member or affiliate.
- (h) The Company shall maintain an arm's length relationship with any Member or affiliate.
- (i) The Company shall not guaranty or become obligated for the debts of any other entity, including any Member or affiliate, or hold out its credit as being available to satisfy the obligations of others.
- (j) The Company shall use stationary, invoices and checks separate from any Member or affiliate.
- (k) The Company shall not pledge its assets for the benefit of any other entity, including any Member or affiliate.
- (l) The Company shall hold itself out as an entity separate from any Member or affiliate.
- (m) The Company shall have a corporate managing Member which shall be organized to be a single purpose "bankruptcy remote" entity with organizational documents substantially similar to the

organization documents of the current corporate managing Member of the Company.

For purposes of this Section 2, the following definitions shall be applicable:

- (i) "Affiliate" shall mean any person controlling or controlled by or under common control with the Company, including, without limitation (a) any person who has a familial relationship, by blood, marriage or otherwise with any partner or employee of the Company, or any affiliate thereof, and (b) any person who receives compensation for administrative, legal or accounting services from the Company or any affiliate. For purposes of this definition, "control" when used with respect to any specified person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meaning correlative to the foregoing.
- (ii) "Person" shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization, or government or any agency or political subdivision thereof.

**Section 3. Continuance of the Company.** Notwithstanding any provision of the Operating Agreement for the Company or the provisions of the Idaho Limited Liability Act (Title 53, Chapter 6, Idaho Code) to the contrary, for so long as the First Mortgage exists on any portion of the Subject Property, the Company shall not liquidate the Subject Property without first obtaining the approval of the mortgagee holding the First Mortgage on any portion of the Subject Property. Such holder may continue to exercise all of its rights under the existing security agreements or mortgages until the debt underlying the First Mortgage has been paid in full or otherwise completely discharged.

**Section 4. Powers of Managing Member.** The Managing Member, as the same is defined in the Operating Agreement for the Company, is authorized on behalf of the Members and the Company to make all decisions concerning the Company's business, investments and property, including, but not limited to, the following, each of which shall be subject to the limitations and restrictions set forth in Section 1 of this Addendum, above:

- (a) The development, sale, lease or other disposition of the Company's property and assets;
- (b) The purchase or other acquisition by the Company of property and assets of all kinds;
- (c) The Management of all or any part of the business and investments of the Property, and all or any part of the property and assets of the Company;

- (d) The borrowing of money and the granting of liens against and/or security interests in the property and assets of the Company, including the borrowing of money from a Member);
- (e) The prepayment, refinancing or extension of any loan obtained by the Company;
- (f) The compromise or release of any of the Company's claims or debts on such terms as shall be approved the Members; and
- (g) The employment of persons, firms or other entities for the operation and management of the business, investments, property and/or assets.

A decision by the Managing Member with respect to the foregoing shall be binding upon the Company and all Members. In the exercise of the management powers, the Managing Member is authorized to execute, in the name of the Company, and deliver (i) all contracts, conveyances, assignments, leases, subleases, franchise agreements, licensing agreements, management contracts and maintenance agreements relating to, or affecting, the business, investments, property and/or assets of the Company; (ii) all checks, drafts and other orders for the payment of the funds of the Company; (iii) all promissory notes, mortgages, deeds of trust, security agreements and other similar instruments and documents; and (iv) all other instruments and documents of any kind or nature relating to the affairs of the Company, whether like or unlike, similar or dissimilar, to the foregoing. When acting on matters on behalf of the Company, or if a matter is subject to the approval of the Members, notwithstanding that the Company is not then insolvent, the Managing Member or the Members, as the case may be, shall take into account the interests of the Company's creditors, as well as those of the Members.

Any decision which, by the terms of the Operating Agreement for the Company, is to be made by the Managing Member and/or approved by a Majority of Members (as defined in the Operating Agreement for the Company) upon which there is disagreement between the Managing Member and the Majority of Members, shall be decided by the Managing Member.

For so long as the First Mortgage exists on any portion of the Subject Property, AV, Inc., an Idaho Corporation, shall be the sole Managing Member of the Company, which Managing Member may not be replaced or removed as Managing Member of the Company without the prior written approval of the mortgagee holding the First Mortgage.

**Section 5. Indemnification of Members.** The Company shall indemnify, defend, save and hold each Member, and the partners of each Member, and the separate property of each, free and harmless from any loss, claim, damage or liability arising from or related to the obligations of the Company, provided that the acts and conduct of the Member giving rise to the loss, claim, damage or liability for which indemnity is claimed is in accordance with, and not beyond the authority of the Member, as provided in this Operating Agreement. Notwithstanding the foregoing, any indemnification of the Members by the Company shall be fully subordinated to any obligations respecting the Subject Property, including, without limitation, the First

Mortgage, and such indemnification shall not constitute a claim against the Company in the event that cash flow in excess of amounts necessary to pay holders of such obligations is insufficient to pay such obligations.

**Section 6. Conflicts.** Any conflict between the terms of this Addendum to Articles of Organization and the terms of the Operating Agreement for the Company shall be controlled by this Addendum.

IN WITNESS WHEREOF, the undersigned have executed this Addendum to Articles of Organization as of the 7th day of November, 1997.

AVEST LIMITED PARTNERSHIP, an  
Idaho Limited Partnership

By   
ROGER H. ALLEN, General Partner

AV, INC.

By   
KATHLEEN K. WEBER, President