

**ARTICLES OF INCORPORATION  
OF  
BOISE INTERNATIONAL YOUTH HOSTEL, INC.**

(An Idaho Nonprofit Corporation)

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SECRETARY OF STATE  
STATE OF IDAHO

FILED EFFECTIVE

KNOW ALL PERSONS BY THESE PRESENTS, that we, the undersigned, being mature persons of full age and citizens of Idaho and the United States, in order to form a nonprofit corporation hereinafter stated pursuant to the provisions of Chapter 3, Title 30, Idaho Code, do hereby certify as follows:

**ARTICLE I: CORPORATION NAME**

- 1.1 The name of the corporation shall be "BOISE INTERNATIONAL YOUTH HOSTEL, INC.", which is a nonprofit corporation.

**ARTICLE II: DURATION**

- 2.1 The duration of the Corporation is perpetual.

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**ARTICLE III: PRINCIPAL OFFICE**

- 3.1 The principal office of the Corporation is to be located in Idaho, Ada County.

**ARTICLE IV: CORPORATION PURPOSES AND OBJECTIVES**

- 4.1 To Help all, especially the young, gain a greater understanding of the world and its people through hostelling. Hostelling is defined as educational travel, local and global, using programs and hostels to facilitate interaction between travelers and community members, and to promote discovery of oneself, local culture, and the world.
- 4.2 To Solicit, collect, receive and administer funds exclusively for such charitable, educational and scientific purposes as permitted for organizations defined in section 501(c)3 of the Internal Revenue Code, or the corresponding section of any future federal tax code.
- 4.3 To make distributions to organizations that qualify as exempt organizations under section 501(c)3 of the Internal Revenue Code, or the corresponding

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section of any future federal tax code.

- 4.4 To Sell, convey and dispose of any property and to invest and reinvest the property held.
- 4.5 To deal with and distribute the Corporations income and assets in such manner as in the director's judgment will best promote its objectives and purposes, without limitations except such, if any, as may be contained in instruments under which such property is conveyed to the Corporation.
- 4.6 To exercise generally any power which is consistent with the purposes described above and which a nonprofit corporation organized under the provisions of the Idaho Nonprofit Corporation Act may exercise, but no other power.
- 4.7 No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.
- 4.8 Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)3 of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

## **ARTICLE V: DEDICATION OF ASSETS**

- 5.1 The Corporation shall administer all its assets and accumulated income to effectuate its tax exempt purposes.
- 5.2 No part of the net earnings or assets of the Corporation shall inure to the benefit of, or be distributed to any individual, except that the Board shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in the furtherance of the purposes and objectives set forth in Article IV hereof.
- 5.3 Upon dissolution of the Corporation, assets shall be distributed at the discretion of its directors for one or more exempt purposes within the meaning of section 501(c)3 of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

- 5.4 Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

## **ARTICLE VI: GUIDING PRINCIPALS**

- 6.1 In principle and practice, the Corporation shall value and seek diversity and inclusion. All people shall have the right of full participation in hostelling regardless of age, color, race, gender, creed, sexual orientation, class, ethnic origin, national origin, disability or impairment.
- 6.2 The Corporation shall adhere to a harassment policy which seeks to maintain an environment that is free from all forms of harassment. The environment includes the workplace, the hostel and its environs, as well as the location of any program or event that is sponsored by the Corporation.
- 6.3 Officers, directors, and agents of the Corporation have a fiduciary duty as trustees to utilize resources available to the Corporation to advance the Corporation's purpose.
- 6.4 As a public charity, the Corporation and its Board of Directors shall serve as stewards of the public trust and in that capacity are responsible and accountable to the public at large to ensure that all of the Corporation's assets are prudently and exclusively utilized to achieve a public benefit.
- 6.5 The Corporation shall adhere to the Code of Ethics adopted by the Board of Directors of American Youth Hostels, Inc.

## **ARTICLE VII: MEMBERS**

- 7.1 The Corporation shall have no members.

## **ARTICLE VIII: BOARD OF DIRECTORS**

- 8.1 The affairs of the Corporation shall be managed by a volunteer Board of Directors.
- 8.2 The Board shall be responsible for determining basic long-range policies of the Corporation and for the management of the Corporation.

- 8.3 Directors may be reimbursed for reasonable expenses while performing such duties.
- 8.4 The Board of Directors shall have all the power and authority granted or permitted by law, including all powers necessary and appropriate to the management of the affairs of the Corporation and the advancement of its purpose.
- 8.5 The Board of Directors may delegate management of the activities of the Corporation to any person or persons or committee, however composed, provided that all actions of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board of Directors.
- 8.6 The Board shall consist of not less than three persons and not more than seven persons, who shall serve two year terms, with no term limits.
- 8.7 By a vote of two-thirds of the members of the Board of Directors present at such a meeting, a Director may be removed for just cause, found and declared in such resolution for removal; provided that notice is made of the meeting and sent by Certified Mail to the challenged Director, with said Director to be given opportunity for rebuttal at the meeting.
- 8.8 Vacancies will be filled by nomination by at least one member of the Board and approval by a two-thirds majority of the Board.
- 8.9 New Board members shall be admitted upon nomination of at least one Director and unanimous approval of the Board.

## **ARTICLE IX: OFFICERS**

- 9.1 The Board shall elect a President, a Secretary, and a Treasurer, who will have such duties as normally pertain to their office.
- 9.2 Additional officers, if any, shall be chosen in such manner as the Board may prescribe and hold office at the pleasure of the Board.
- 9.3 The same person may hold any two or more offices except that neither the Secretary nor the Treasurer may serve concurrently as the President.

## **ARTICLE X: MEETINGS**

- 10.1 The Board of Directors shall hold an annual meeting on the second Sunday of February at 1530 hrs, Mountain Standard Time.
- 10.2 The directors of the Corporation may meet and vote by teleconference or any other electronic means that permits each director to communicate adequately with each other.
- 10.3 Special meetings can be called at any time and place specified in a written demand of a majority of the members of the Board. The business to be transacted at such special meetings shall be stated in the notice thereof, and no other business may be considered at that meeting.
- 10.4 Thirty Percent of the Board members shall constitute a quorum.
- 10.5 Provided that a quorum is present, the act of a majority of the Directors present shall be the act of the Board of Directors.
- 10.6 Only Directors present at any meeting may vote. Proxies are not accepted at meetings of the Board.
- 10.7 In the case of an equality of votes, the motion shall be defeated.
- 10.8 A Director may be removed by resolution of the Board if they have been absent from two consecutive meetings of the Board without reason deemed by the Board to be adequate. The Board shall pass a motion to either excuse the Directors absences, or to remove the Director in which case the the vacancy will be filled by nomination by at least one member of the Board and approval of two-thirds of the Board.

## **ARTICLE XI: LIMITATION OF VOLUTEER DIRECTOR'S LIABILITY**

- 11.1 A volunteer director shall not be personally liable to the corporation for monetary damages for a breach of the director's fiduciary duty, except that a volunteer director's liability is not limited for:
  - (a) a breach of the director's duty of loyalty to the corporation;
  - (b) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of the law;
  - (c) a violation of the Idaho Nonprofit Corporation Act that relates to the making of unauthorized distributions or loans;
  - (d) a transaction from which the director derived an improper personal benefit;

(e) an act or omission that is grossly negligent; or,

(f) acts or omissions for which the directors are required to have liability under current or future federal or state law.

11.2 The Corporation shall assume all liability to any person other than the corporation for all acts or omissions of a volunteer director incurred in the good faith performance of the volunteer director's duties as such.

11.3 If, after the original adoption of this article, the Idaho Nonprofit Corporation Act is amended to further eliminate or limit the liability of a volunteer director, then a volunteer director (in addition to the circumstances in which a director is not personally liable as set forth in this article) shall, to the fullest extent permitted by the Idaho Nonprofit Corporation Act as so amended, not be liable to the Corporation.

11.4 No amendment or repeal of this article shall increase the liability or alleged liability of any volunteer director for or with respect to any acts or omissions of such director occurring before such amendment or repeal.

## **ARTICLE XII:           ASSUMPTION OF LIABILITY FOR ACTS OF NONDIRECTOR VOLUNTEERS**

12.1 The Corporation shall assume the liability for all acts and omissions of a nondirector volunteer, if all of the following conditions are met:

(a) the volunteer was acting or reasonably believed he or she was acting with the scope of his or her authority;

(b) the volunteer was acting in good faith;

(c) the volunteer's conduct did not amount to gross negligence or willful and wanton misconduct.

(d) the volunteer's liability was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided by appropriate Idaho legislation.

12.2 No amendment or repeal of this article shall reduce the scope of the Corporation's assumption of liability under this article for or with respect to any nondirector volunteer's acts or omissions that occur before such change.

### **ARTICLE XIII: INDEMNIFICATION OF DIRECTORS AND OFFICERS**

- 13.1 The Corporation shall indemnify any director or officer of the Corporation who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding by reason of the fact that he or she is or was a director or officer, or is or was serving at the request of the corporation in another capacity, to the fullest extent permitted by the Idaho Nonprofit Corporation Act.
- 13.2 The Corporation may indemnify persons who are not directors or officers to the extent authorized by resolution of the board of directors or by contractual agreement authorized by the Board of Directors.
- 13.3 A change in the Idaho Nonprofit Corporation Act, these articles, or the Bylaws that reduce the scope of indemnification shall not apply to any action or omission that occurs before the change.

### **ARTICLE XIV: AMMENDMENTS**

- 14.1 These Bylaws may be altered, amended or repealed by a two-thirds majority vote of the Board of Directors.

### **ARTICLE XV: MISCELLANEOUS**

- 15.1 All meetings of directors shall be governed by the most recent edition of Robert's Rules of Order.
- 15.2 The fiscal year shall coincide with the fiscal year of American Youth Hostels, Inc.
- 15.3 All checks, drafts, demands for money and notes of the Corporation and all written contracts of the Corporation, shall be signed by such officers, agent or agents, as the Board of Directors may from time to time by resolution designate. Except as set forth in these Bylaws, no person shall represent or have authority to bind the Corporation unless specifically authorized to do so by the Board of Directors.

### **ARTICLE XVI: SEVERABILTY**

- 16.1 If any provision of these Bylaws or the application of any provision hereof to

any person or circumstance is held invalid, unenforceable or otherwise illegal, the remainder of these Bylaws and the application of such provision to any other person or circumstance will not be affected, and the provision so held to be invalid, unenforceable or otherwise illegal will be reformed to the extent, and only to the extent, necessary to make it enforceable, valid or legal.

## **ARTICLE XVII: INITIAL BOARD OF DIRECTORS**

17.1 The Initial Board of Directors shall consist of the following named persons who shall serve until holding of the 2009 Annual Meeting of the Board of Directors and until their successors shall be nominated and approved.

- Matthew G. Mattefs - 1311 Chrisway Dr. Boise, ID. 83702.
- Michael R. Murphy - 1010 W Franklin St. Boise, ID. 83702.  
EST
- Renee D. Farley - 1006 W Franklin St. Boise, ID. 83702.  
EST
- Stephen R. Howard - 1016 W Franklin St. Boise, ID. 83702.  
EST

## **ARTICLE XVIII: INCORPORATORS**

18.1 The following named persons are the incorporators.

- Michael R. Murphy - 1010 W Franklin St. Boise, ID. 83702  
EST
- Stephen R. Howard - 1016 W Franklin St. Boise, ID. 83702  
EST

## **ARTICLE XIX: REGISTERED AGENT**

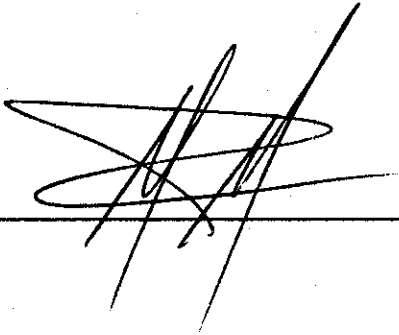
19.1 The Registered Office of the Corporation shall be 1010 W Franklin St. Boise, 6UID. 83702.

19.2 The Initial Registered Agent shall be Michael R. Murphy whose address is the same as stated above.

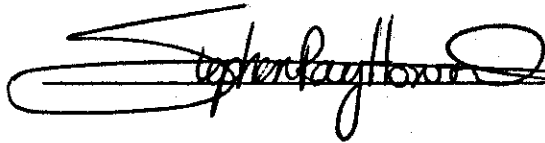


IN WITNESS WHEREOF, we have hereunto set our hands this 18<sup>TH</sup> Day

of MARCH, 2008.

  
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Michael R. Murphy  
Incorporator

  
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Stephen R. Howard  
Incorporator