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STATE OF IDAHO

ARTICLES OF INCORPORATION

OF

IDAHO THERMAL SPRAY TECHNOLOGIES, INC.

THE UNDERSIGNED Incorporator, desiring to form a corporation pursuant to the provisions of the Idaho Business Corporation Act, adopts the following Articles of Incorporation:

ARTICLE I

The name of the corporation is: **IDAHO THERMAL SPRAY TECHNOLOGIES, INC.**

ARTICLE II

The purposes and objects for which the corporation is formed are to do any and all of the things hereafter set forth, to the same extent as natural persons might, or could do, namely:

- a. Perform and provide those services customary, incident to and necessary for thermal technology, to include high and low production, materials engineering (e.g. parametric testing), coating research and development, applications development, materials characterization and evaluation, process evaluation, turnkey coating process development, technical consultation regarding product utilization, computational studies, and coating characterization and performance evaluation.
- b. To acquire and to hold, develop, improve, subdivide, lease, construct, exchange, mortgage, sell, convey, finance or otherwise dispose of or deal in, real estate.
- c. To borrow or raise money for any of the purposes of the corporation and in connection therewith to grant collateral or other security, either alone or jointly with any other person, firm, or corporation and to make and issue promissory notes, drafts, bonds, debentures, and other evidences

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of indebtedness; and to lend and advance money, extend credit, take notes, open accounts, and every kind of evidence of indebtedness and collateral security in connection therewith.

d. To buy, sell, and own any class of stock in other corporations.

And in general, to do any and all things and to exercise any and all powers which now or hereafter might be lawful for a corporation to do or exercise, under and in pursuance of the Business Corporations Act of the State of Idaho, or of any other law which now or hereafter might be applicable to this corporation.

ARTICLE III

The period of duration of the corporation is perpetual.

ARTICLE IV

The address of the corporation's initial registered office in the State of Idaho is 2300 N. Yellowstone, Idaho Falls, Idaho. The name of the corporation's initial registered agent at such address is Dominic J. Varacalle.

ARTICLE V

The authorized capital stock of this corporation is 10,000 shares, with \$5.00 par value, designated as common stock. Before any of the capital stock of this corporation may be sold or transferred by any of its shareholders, the corporation itself must be given a thirty-day option to repurchase the stock; provided, however, that should the corporation desire not to repurchase any of its capital stock to be sold or transferred, the remaining shareholders of the corporation shall be given a thirty-day option to purchase said capital stock after receiving notice in writing that the corporation will not repurchase said stock itself; and provided, upon a shareholder's death, his/her shares may be transferred to his/her heirs without such restrictions. The capital stock of this corporation may be exchanged by the corporation through the Board of Directors for stock in other

corporations. Nothing herein contained shall prevent the corporation from entering into stock purchase agreements with its shareholders for the purpose of repurchasing or redeeming its capital stock. Nothing herein shall prevent the shareholders entering into stock purchase agreements between themselves for the purchase of capital stock of the corporation, provided that any such agreement between the shareholders must receive prior written consent of the corporation. Any such sales shall be subject to the provisions of the By-Laws.

ARTICLE VI

The amount of capital stock which has been subscribed and paid for is the sum of 5001 shares, and following are the names of the persons, their addresses and numbers of shares by whom the same have been subscribed, to wit:

<u>Name</u>	<u>Address</u>	<u>Number of Shares</u>
Dominic J. Varacalle	2300 North Yellowstone Idaho Falls, Idaho 83402	5001

ARTICLE VII

The management of this corporation shall be vested in a Board of not less than two nor more than five directors, as may be fixed by the By-Laws. The directors shall be elected at the annual meeting of the stockholders, to be held at the general office of this corporation in the City of Idaho Falls, County of Bonneville, State of Idaho, on the 20th day of the first month after the close of the taxable year of each year, at a time to be determined by the By-Laws, or at such other time and place as the directors may so designate; and until such election, the officers and directors of said corporation shall be Dominic J. Varacalle, President, Treasurer and Director.

ARTICLE VIII

The power to enact, repeal and amend the By-Laws of the corporation and to adopt new By-Laws is hereby conferred upon the directors as well as the shareholders to be exercised by such vote of such directors or of the allotted shares as the case may be, not less, however, than the majority thereof as may be fixed by the By-Laws.

ARTICLE IX

All or any meetings of the shareholders or of the Board of Directors may be held within or without the State of Idaho as provided by the By-Laws.

ARTICLE X

No contract or other transaction between the corporation and any other corporation, whether or not a majority of the shares of the capital stock of such corporation is owned by this corporation, and no act of the corporation shall in any way be affected or invalidated by the fact that any of the directors of the corporation are pecuniarily or otherwise interested in or are directors or officers of any such other corporation; any directors individually or any firm of which such director may be a member, may be a party to or may be pecuniarily or otherwise interested in any contract or transaction of the corporation, provided that the fact that such shareholder or such firm is so interested in any such transaction or contract shall be disclosed or shall have been so disclosed to the Board of Directors or a majority thereof; and any director of the corporation who is also a director or officer of any such other corporation or who is so interested may be counted in determining the existence of a quorum at a meeting of the Board of Directors of the corporation which shall authorize such contract or transaction and may vote thereat to authorize such contract or transaction with a like force and effect as if he were not such director or officer of any other corporation or not so interested therein.

EXECUTED This 15th day of September, 2003.

Dominic J. Varacalle Jr.
DOMINIC J. VARACALLE

STATE OF IDAHO)
)
County of Bonneville)

On this September 15, 2003, before me personally appeared DOMINIC J. VARACALLE, known to me to be the person whose name is subscribed on the foregoing instrument, and acknowledged to me that he executed the same.

[Signature]
NOTARY PUBLIC For Idaho

Residing at: [Signature]

My commission expires: 11/03