

ARTICLES OF INCORPORATION

Nancy Coffelt, hereby signs the following Articles of Incorporation for the purpose of forming a Business Corporation under the provisions of Title 30, Chapter 1, Idaho Code.

FILED
97 DEC 30 PM 2:26
SECRETARY OF STATE
STATE OF IDAHO
97 DEC 26 AM 10:25
SECRETARY OF STATE
STATE OF IDAHO

ARTICLE I. NAME

The name of the corporation is CR Arabians, Inc.

ARTICLE II. SHARES

a. CR Arabians, Inc. is authorized to issue 500,000 of no par value common stock, and 100,000 shares of no par preferred stock.

b. The transfer of the shares of Stock in the Corporation is restricted in accordance with applicable provisions set forth in these Articles of Incorporation, the Corporation's By Laws and with the share transfer provisions of Section 30-1-627 of the Idaho Code.

c. Shares in the Corporation may not be voluntarily or involuntarily transferred, by operation of law or otherwise except as follows:

Subject to the right of first refusal of the non-transferring shareholders and the Corporation, in that order, and as set forth in the Corporation's By Laws, to purchase the shares for a price based on the appraised value of the Corporation as a going concern without a discount for non-marketability of the shares, or if the shareholders and Corporation do not exercise their right of first refusal, then;

Subject to, and pursuant to a written resolution, approved by a vote representing over 50% (fifty percent) of the outstanding shares of the Corporation, in accordance with the Corporation's By Laws and the provisions of Section 30-1-627 of the Idaho Code.

ARTICLE III. NAME AND ADDRESS OF INITIAL REGISTERED AGENT

Dale Coffelt
109 North Division Street
Sandpoint, Idaho 83864

mailing address:
P.O. Box 949
Sandpoint, Idaho 83864

IDAHO SECRETARY OF STATE
12/26/1997 09:00
CX: 6622 CT: 91694 BH: 67454
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ARTICLE IV. NAME AND ADDRESS OF INITIAL INCORPORATOR

Nancy Coffelt
109 North Division Street
Sandpoint, Idaho 83864

mailing address:
P.O. Box 949
Sandpoint, Idaho 83864

ARTICLE V. PREEMPTIVE RIGHTS

The Corporation elects to have preemptive rights pursuant to Section 30-1-630 of the Idaho Code.

ARTICLE VI. AMENDMENTS

These Articles of Incorporation may only be amended by an affirmative vote of the shareholders owning a majority of the shares entitled to vote on the amendment.

ARTICLE VII. INDEMNIFICATION OF DIRECTORS AND SHAREHOLDERS

The Corporation may indemnify its directors to the fullest extent allowed by Idaho law and public policy.

ARTICLE VIII. LIMITATIONS ON THE AUTHORITY OF THE CORPORATION, ITS OFFICERS AND SHAREHOLDERS

The Corporation, its Officers or Shareholders may perform any of the acts enumerated in this Article, but only if performed pursuant to a written resolution approved by a vote representing over 50% (fifty percent) of the outstanding shares of the Corporation.

(a) Dispose of the goodwill of the Corporation or convey, encumber, or lease any other asset of the Company outside the ordinary course of business.

(b) Convey, encumber, or lease or sublease any real property, including leaseholds.

(c) Confess a Judgment.

(d) Assign, transfer, pledge, compromise or release any claim of, or debt owing to the Corporation except upon payment in full.

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ARTICLE VIII. PURPOSE AND POWERS

The Corporation is created for the purpose of engaging in the business of buying and selling horses, horse breeding, horse boarding, horse training, horsemanship training, and other horse-related business activities.

DATED this 23 day of December, 1997.

Nancy Coffett

NANCY COFFETT, INCORPORATOR