



Department of State

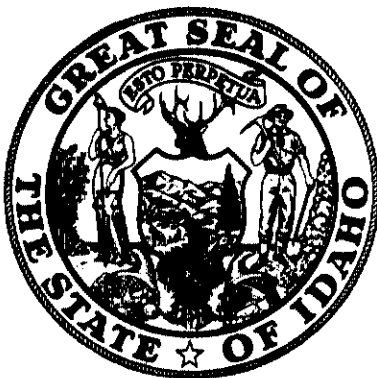
**CERTIFICATE OF INCORPORATION
OF**

WATERMAN'S FLOOR COVERING, INC.

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of the above named corporation, duly signed pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: January 29, 1991



Pete T. Cenarrusa

SECRETARY OF STATE

by:

Elizabeth M. Zakala

ARTICLES OF INCORPORATION
OF
WATERMAN'S FLOOR COVERING, INC.

RECORDED 12 20 PM '31
SECRETARY OF STATE

KNOW ALL MEN BY THESE PRESENTS:

That Clyde Waterman, being of legal age, and for the purpose of forming a corporation under the Idaho Business Corporation Act hereby certifies and adopts, in duplicate, the following articles of Incorporation:

ARTICLE I.

The name of the corporation shall be WATERMAN'S FLOOR COVERING, INC., and its existence shall be perpetual.

ARTICLE II.

The purpose and objectives of this corporation are as follows:

1. To engage in and carry on trade or activity associated with the sale and installation of carpet, linoleum, tile, or other material related to any wholesale or retail residential or commercial home improvement or floor covering business.
2. To engage in and carry on any lawful business, trade or activity and exercise all powers granted to a corporation formed under the laws of the State of Idaho, including any amendments thereto or successor statutes that may hereafter be enacted.

ARTICLE III.

The location and post office address of the registered office of the corporation in this state shall be in Latah County as follows:

1108 Pullman Road
Moscow, Idaho
83843

The registered agent at that address shall be Clyde Waterman.

ARTICLE IV.

The aggregate number of shares which the corporation shall have authority to issue is One Thousand (1,000) shares of common stock having no par value. There shall be no other class of shares of stock in this corporation. Provided, however, the corporation reserves the right to amend, alter, change or repeal any provision contained in its Articles of Incorporation in any manner now or hereafter prescribed or permitted by statute. All rights of stockholders of the corporation are granted subject to this reservation.

ARTICLE V.

The amount of paid capital with which this corporation shall begin business shall be a minimum of Five Hundred Dollars (\$500.00).

ARTICLE VI.

1. The number of directors of the corporation shall be fixed as provided by the Bylaws, and may be changed from time to time by amending the Bylaws, as therein provided, but the number of directors shall not be less than one (1) nor more than four (4) in accordance with the provisions of corporate laws of the State of Idaho.

2. In furtherance of and not in limitation of the powers conferred by the laws of the State of Idaho, the Board of Directors is expressly authorized to make, alter and repeal the Bylaws of the corporation, subject to the power of the stockholders of the corporation to change or repeal such Bylaws.

3. The corporation may enter into contracts and otherwise transact business as vender, purchaser or otherwise, with its directors, officers and stockholders and with corporations, associations, firms and entities in which

they are or may be or become interested as directors, officers, stockholders, members or otherwise, as freely as though such adverse interests did not exist, even though the vote, action or presence of such director, officer or stockholder may be necessary to obligate the corporation upon such contracts or transactions; and in the absence of fraud no such contract or transaction shall be avoided and no such director, officer or stockholder shall be held liable to account to the corporation, by reason of such adverse interest or by reasons of any fiduciary relationship to the corporation arising out of such office or stock ownership, for any profit or benefit realized by him through any such contract or transaction; provided, that in the case of directors and officers of the corporation (but not in the case of stockholders who are not directors or officers) the nature of the interest of such director or officer, though not necessarily the details or extent thereof, be disclosed or known to the Board of Directors of the corporation, at the meeting thereof at which such contract or transaction is authorized or confirmed. A general notice that a director or officer of the corporation, association, firm or entity shall be sufficient disclosure as to such director or officer with respect to all contracts and transactions with that corporation, association, firm or entity.

4. Any contract, transaction or act of the corporation or of the directors or of any officers of the corporation which shall be ratified by a majority of a quorum of the stockholders of the corporation at any annual meeting or any special meeting called for such purpose shall, insofar as permitted by law, be as valid and as binding as though ratified by every stockholder of the corporation.

5. The corporation shall indemnify its officers and directors from all expenses incurred by them in the defense of any proceeding, be it civil, criminal, administrative or investigative, where the corporation shall have the power to

do so under the terms and provisions of the corporate laws of the State of Idaho as now enacted or as hereinafter amended.

ARTICLE VII.

The first directors of this corporation shall be one (1) in number and he shall be as follows:

Clyde Waterman
1108 Pullman Road
Moscow, Idaho 83843

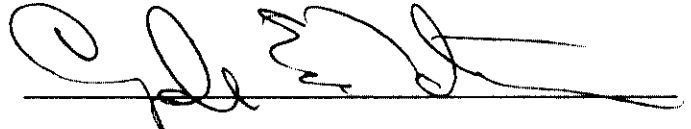
The term of the first director shall be until the first annual meeting of the stockholders of the corporation, to be fixed by the Bylaws and until his successor is elected and qualified.

ARTICLE VIII.

The name and post office address of the incorporator is:

Clyde Waterman
1108 Pullman Road
Moscow, Idaho 83843

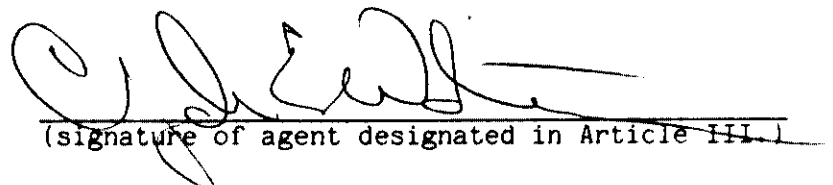
IN WITNESS WHEREOF, the incorporator herein above-named has given his signature in duplicate this 21 day of January 1991.



CONSENT TO APPOINTMENT AS REGISTERED AGENT

I, CLYDE WATERMAN, hereby consent to serve as Registered Agent, in the State of Idaho, for the corporation herein named. I understand that as agent for the corporation, it will be my responsibility to accept Service in Process in the name of the corporation; to forward corporate license renewal mailings to the corporation; and to immediately notify the Office of the Secretary of State in the event of my resignation or of any change in the Registered Office address of the corporation for which I am agent.

21 January 1991
(date)



(signature of agent designated in Article III.)