

**Articles of Incorporation  
of  
Pav Electric, Inc.  
An Idaho Corporation**

*For Office Use Only*

**-FILED-**

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The undersigned Incorporator desires to form a corporation under the laws of the State of Idaho by delivering in duplicate to the Secretary of State of the State of Idaho these Articles of Incorporation, in accordance with the provisions of Idaho Business Corporation Act of Idaho (*Act*).

**Article One  
Name**

The name of the Corporation is Pav Electric, Inc.

**Article Two  
Registered Agent**

The Corporation's initial Registered Office address in the State of Idaho is: 1673 W. Shoreline Drive, Ste. 140, Boise, Idaho 83702.

The name of the Corporation's initial Registered Agent at that office is Steve Rausch Law Office, PLLC.

**Article Three  
Stock**

The total number of shares of stock that the Corporation has authority to issue will be:

10,000 shares of Preferred Stock with no par value, all of one class.

20,000 shares of non-voting Common Stock with no par value, all of one class.

**Section 3.01 Common Stock**

The Common Stock of this Corporation has all statutory rights under Idaho law, except Common Stock in this Corporation is all non-voting stock.

### Section 3.02 Preferred Stock

The preferences, qualifications, limitations, restrictions, and the special or relative rights in respect of the shares of Preferred Stock are as follows:

- A. The Preferred Stock will be entitled to receive cumulative dividends per year, payable semi-annually out of any source legally available for dividends of the Corporation, and in preference to any dividends on the Common Stock. The Corporation may not pay cash dividends upon the Common Stock if the payment of dividends on the Preferred Stock remains in arrears.
- B. If a liquidation, dissolution, or winding up of the Corporation occurs, after the debts of the Corporation have been paid, the holders of the Preferred Stock will be entitled to receive a preference per share out of the assets remaining, together with all dividends on each share accrued or in arrears, whether or not earned or declared, before any payment is made or assets set apart to pay the holders of the Common Stock. The holders of the Preferred Stock will be entitled to no further payments or distributions. If the assets remaining after payment of the corporate debts are insufficient to pay the full amount described above, any remaining assets will be divided among the holders of the Preferred Stock on a *pro rata* basis in proportion to the total number of shares of outstanding Preferred Stock.

Except to the extent required by law or as otherwise provided in this Agreement, the Preferred Stock will have all voting rights.

- C. The Preferred Stock will not be subject to conversion into any other securities of the Corporation.

If the Common Stock is increased to exceed the number of shares currently authorized, the conversion rights of holders of Preferred Stock will be increased to retain the original proportionate interest in the net assets of the Corporation that they would have had upon conversion if the Common Stock had not been increased. At all times, the Corporation will reserve sufficient additional Common Stock for conversion of all outstanding Preferred Stock.

While any of the Preferred Stock remains outstanding, the Corporation may not reorganize; consolidate, or merge with or into any other corporation or corporations; nor convey all or substantially all of its properties and business, as an entirety, to any other corporation unless arrangements are made for the holders of the then-outstanding Preferred Stock. These arrangements must entitle the holders of the then-outstanding Preferred Stock to convert as much Preferred Stock into any stock or securities given in exchange for Common Stock of the Corporation on the reorganization, or in connection with the consolidation, merger, or conveyance, in those amounts that would at the time have been given in exchange for the Common Stock then issuable upon conversion of that Preferred Stock under this Article.

The Board of Directors, acting without the Shareholders, may:

reclassify any unissued shares of any authorized class or series into one or more existing or new classes or series; and

create one or more new classes or series of shares, specifying the number of shares to be included in each class, the distinguishing designation of each class, and the preferences, limitations, and relative rights applicable to each class.

But the Board of Directors may not approve an aggregate number of authorized shares of all classes and series that exceeds the total number of authorized shares specified in the Articles of Incorporation or approved by the Shareholders.

## **Article Four**

### **Stock Transfer Restrictions**

Except as otherwise provided in the Bylaws or in a separate agreement among the Shareholders, no Shareholder may sell, assign, pledge, or otherwise transfer any of the Corporation's shares of stock or any right or interest in them, whether voluntarily, by operation of law, by gift, or otherwise.

## **Article Five**

### **Preemptive Shareholder Rights**

The preemptive right of a Shareholder to acquire additional shares is affirmed.

## **Article Six**

### **Incorporator**

The name and residence of the Incorporator is as follows.

Name:

Address:

Steven R. Rausch

1673 W. Shoreline Drive, Ste. 140  
Boise, Idaho 83702

## **Article Seven**

### **Board of Directors**

The first Board of Directors will have 6 Directors. Thereafter, the number of Directors will be determined by the Bylaws, but in no event less than three.

The names of the initial Directors are:

John Anthony Pavletich;	1209 S. Manitou Boise, ID 83706
Deanna Christine Pavletich;	"
Jessica Leann Pavletich;	"
Jacob Anthony Pavletich;	"
Jordyn Marie Pavletich; and	"
Joshua George Pavletich.	"

The entire number of Directors will be divided into three classes, as nearly equal in number as possible, with respect to the time for which each Director will hold office. Directors of Class A first chosen will hold office for one year or until the first annual election following their election. Directors of Class B first chosen will hold office for two years or until the second annual election following their election. Directors of Class C will hold office for three years or until the third annual election following their election. The successors to each class of Directors will hold office for a three-year term, so that the term of office of one class of Directors expires in each year. A Director will hold office until his or her successor is elected and qualified.

Newly created directorships resulting from any increase in the authorized number of Directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office, or other cause will be filled by a majority vote of the remaining Directors, though less than a quorum. These interim Directors will hold office for a term that expires at the next annual meeting of Shareholders, at which time the Shareholders will elect the successors.

The Board of Directors will fix by resolution the compensation or salary paid for attendance at each regular or special meeting of the Board in which a Director actually participates. Each Director will be reimbursed for all out-of-pocket expenses reasonably incurred in connection with performing the duties of a Director.

## **Article Eight Duration**

The Corporation's duration is perpetual.

## **Article Nine Purposes**

The Corporation is formed to engage in any business lawful and permitted under the laws of the State of Idaho, and to do anything corporations are permitted to do under provisions of the Act, as amended from time to time.

## **Article Ten**

### **Release from Personal Liability**

A Director will not be personally liable to the Corporation or its Shareholders for monetary damages for breach of fiduciary duty as a Director, except liability for:

- the amount of a financial benefit received by a Director to which he or she is not entitled under Idaho law;
- an intentional infliction of harm on the Corporation or the Shareholders, individually or collectively;
- any distribution for which a Director votes that is not lawful under Idaho law; or
- an intentional violation of criminal law.

## **Article Eleven**

### **Indemnification**

The Corporation must indemnify every Director or officer—and his or her heirs, executors, and administrators—against expenses actually and reasonably incurred by him or her, as well as any amount paid upon judgment, in connection with any civil or criminal action, suit, or proceeding to which he or she may be made a party by reason of having been a Director or officer of the Corporation. But this indemnification excludes any action resulting in the liability of the Corporation for:

- a financial benefit received by a Director or officer to which he or she is not entitled under Idaho law;
- an intentional infliction of harm on the Corporation or the Shareholders, individually or collectively;
- any distribution for which a Director or officer votes or approves that is not lawful under Idaho law; or
- an intentional violation of criminal law.

## **Article Twelve**

### **Power to Enact, Amend, and Repeal Bylaws**

The Corporation's Board of Directors holds the exclusive power to make, alter, amend, or repeal the Corporation's Bylaws.

These Articles of Incorporation have been signed on March 5, 2019.

Steven R. Rausch  
Steven R. Rausch, Incorporator