

FILED

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# ARTICLES OF INCORPORATION

OF

## MUGS ESPRESSO BAR, INC.

IDAH0 SECRETARY OF STATE

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1. Name. The name of the corporation is Mugs Espresso Bar, Inc.

2. Authorized shares. The aggregate number of shares the corporation is authorized to issue shall be 100,000, all of which shall be common voting stock.

3. Registered office and agent. The registered office of the corporation is 642 E. Parkway Court, Boise, Idaho 83706, and its registered agent at that address is Don M. Ruchti.

4. Incorporators. The names and addresses of the incorporators are:

Don M. Ruchti  
642 E. Parkway Court  
Boise, Idaho 83706

Dora C. Ruchti  
642 E. Parkway Court  
Boise, Idaho 83706

5. Corporate purpose. The purpose for which this corporation is organized is the transaction of any and all lawful business for which corporations may be incorporated under the Idaho Business Corporation Act.

6. Board of Directors. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation managed under the direction of, its board of directors, subject to any limitation set forth in a shareholder agreement authorized under section 30-1-732, Idaho Code. The number of directors constituting the initial board of directors shall be two, and the names and addresses of the persons to serve as directors until the first annual meeting of shareholders or until their successors are elected and qualified are:

Name

Address

Don M. Ruchti  
642 E. Parkway Court  
Boise, Idaho 83706

Dora C. Ruchti  
642 E. Parkway Court  
Boise, Idaho 83706

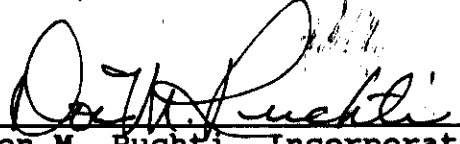
7. Cumulative Voting. All shareholders are entitled to cumulate their votes for directors, that is, they are entitled to multiply the number of votes they are entitled to cast by the number of directors for whom they are entitled to vote and cast the product for a single candidate or distribute the product among two (2) or more candidates.

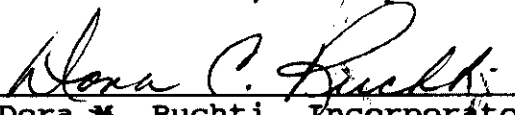
8. Preemptive Rights. The corporation elects to have preemptive rights.

9. Indemnification. The corporation shall indemnify the directors and officers of the corporation to the fullest extent permitted by the Idaho Business Corporation Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide broader indemnification rights than the Idaho Business Corporation Act permitted the corporation to provide prior to such amendment).

10. Limitation of Liability. No director shall be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty except liability for: (i) the amount of a financial benefit received by a director to which he is not entitled; (ii) an intentional infliction of harm on the corporation or the shareholders; (iii) a violation of § 30-1-833, Idaho Code; or (iv) an intentional violation of criminal law.

In witness whereof, we have subscribed these Articles of Incorporation this 25<sup>th</sup> day of November, 1998.

  
Don M. Ruchti, Incorporator

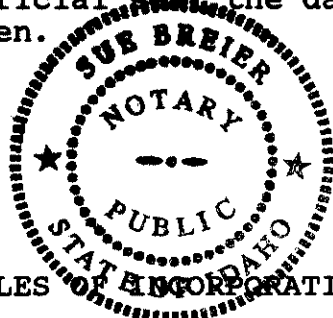
  
Dora M. Ruchti, Incorporator


CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF IDAHO )  
                  ) ss.  
County of Ada )

On this 25<sup>th</sup> day of November, 1998, before me, the undersigned, a Notary Public in and for said State, personally appeared DON M. RUCHTI and DORA M. RUCHTI, known or identified to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



  
Notary Public for Idaho  
Residing at Boise  
My Commission Expires: 5-24-2003