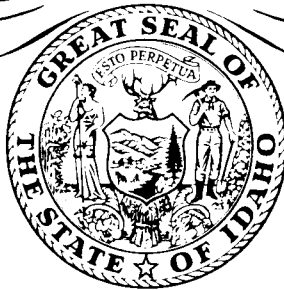


State of Idaho



Department of State.

CERTIFICATE OF INCORPORATION

I, ARNOLD WILLIAMS, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho do hereby certify that the original of the articles of incorporation of

PHYSICAL THERAPY SERVICES, INC.

was filed in the office of the Secretary of State on the **Sixth** day of **July**, A.D. One Thousand Nine Hundred **Sixty-Five** and

will be duly recorded on ~~Form No.~~ **microfilm** of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for **perpetual existence** from the date hereof, with its registered office in this State located at **Pocatello** in the County of **Bannock**.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this **Sixth** day of **July**,

A.D., 19**65**
ARNOLD WILLIAMS
Secretary of State

By Deputy Secretary of State.

1 ARTICLES OF INCORPORATION

2
3 KNOW ALL MEN BY THESE PRESENTS that we, the undersigned,
4 being natural persons of full age, and citizens of the United States
5 of America, in order to form a corporation for the purposes herein-
after stated, pursuant to the Business Corporation Act of Idaho,
do hereby certify as follows:

6 I.

7 That the name of this corporation shall be:

8 PHYSICAL THERAPY SERVICES, INC.

9 II.

10 That the purposes for which said corporation is formed are:

- 11 (A) To render and provide physical therapy services
12 and rehabilitation care and treatment, and to
13 conduct any office, clinic, or clinics with
14 respect to the general treatment of disease or
handicap by the use and application of physical
modalities.
- 15 (B) To furnish, rent, or sell equipment to patients
or others to facilitate rehabilitation.
- 16 (C) To either build, erect, construct, lease, or other-
17 wise acquire, manage, occupy, maintain, and operate
18 a building, or buildings, or suites or portions of
19 buildings, of every kind, and for all purposes,
including the general purposes enumerated in the
preceding sub-sections. Further, to enter into
contracts for the construction of, maintenance of,
20 leasing of, and erection of buildings or clinics
of every type and kind.
- 21 (D) To purchase, acquire, hold, possess, sell, lease,
22 convey, and dispose of lands, lots and other
property, both real and personal.
- 23 (E) To incur indebtedness and to raise, borrow and
24 secure the payment of money in any lawful manner,
including the right to mortgage its property and
25 to issue and sell debentures, obligations,
negotiable and transferable instruments, and
26 evidence of indebtedness of all kinds, and to
secure the same by pledge, mortgage, deed of trust,
27 or otherwise; to borrow money of its shareholders,
to issue debentures or other negotiable instruments
therefor, and authorize the payment of interest
28 thereon.
- 29 (F) To do any and all things necessary, suitable and
30 proper for the accomplishment of any of the purposes,
or for the attainment of any of the objects, or
31 for the exercise of any of the powers herein set
forth, whether specified or not, either alone, or
32 in conjunction with other firms, individuals or
corporations, and to do any other act, or acts,

1 thing or things, incidental or pertinent to or
2 connected with the business hereinbefore
3 described, or any part or parts thereof, and
4 to promote the objects for which said corporation
5 is formed; and to deal with goods, wares,
6 merchandise and real and personal property of
7 every class and description.

8 III.

9 That the corporation is to have perpetual existence.

10 IV.

11 That the location and post office address of its registered
12 office in this state shall be the City of Pocatello, County of
13 Bannock, State of Idaho.

14 V.

15 That the total authorized capital stock of said corporation
16 is TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00), consisting of 250
17 shares of capital stock of the par value of ONE HUNDRED DOLLARS
18 (\$100.00) per share, and the entire voting stock of this corpora-
19 tion shall be divided into 250 shares.

20 VI.

21 That the amount of capital stock of said corporation which
22 has actually been subscribed is One Hundred (100) shares of capital
23 stock.

24 VII.

25 That the following are the names and post office addresses
26 of the incorporators, together with the number and par value of
27 the shares subscribed by each of said incorporators:

<u>NAMES AND ADDRESSES</u>	<u>SHARES</u>	<u>PAR VALUE</u>
William R. Hull 1652 E. Terry Pocatello, Idaho	69 shares	\$100.00
Allen B. Martin 937 East Bridger Pocatello, Idaho	29 shares	\$100.00
Jean B. Hull 1652 E. Terry Pocatello, Idaho	1 share	\$100.00
Kathryn T. Martin 937 E. Bridger Pocatello, Idaho	1 share	\$100.00

28 VIII.

29 That the number of directors of said corporation shall con-
30 sist of three directors, and during their term of office, or there-
31 after, the number of directors may be changed from time to time as
32 provided by the By-laws;; provided, however, that the number of

1 directors constituting the Board shall not be less than three nor
2 more than five.

3 IX.

4 That the power to appeal and amend the By-laws and adopt new
5 By-laws is hereby conferred upon the directors, as well as upon the
6 shareholders, to be exercised by such vote of the directors or of
the allotted shares as the case may be; provided, however, not less
than a majority thereof as may be fixed by the By-laws.

7 X.

8 That said corporation shall have the power to purchase, hold,
9 sell and transfer shares of its own capital stock, provided, however,
its funds or property shall not be used for the purchase of shares
10 of capital stock issued by it if such use should cause an impairment
of its capital; and provided, further, that the shares of capital
11 stock so purchased shall not be voted at meetings of shareholders
of this corporation, and shall be eliminated in determining the
presence of a quorum at such meetings.

12 IN WITNESS WHEREOF, we have hereunto set our hands and seals
13 this 17 day of May, 1965.

14 William R. Hull
15 William R. Hull

16 Allen B. Martin
17 Allen B. Martin

18 Jean B. Hull
19 Jean B. Hull

20 Kathryn T. Martin
21 Kathryn T. Martin

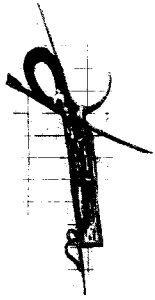
22 STATE OF IDAHO)
23)ss
COUNTY OF BANNOCK)

24 On this 17 day of May, 1965, before me personally
25 appeared William R. Hull, Allen B. Martin, Jean B. Hull, and
Kathryn T. Martin, known to me to be the persons whose names are
26 subscribed to the within instrument, and acknowledged to me that
they executed the same.

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

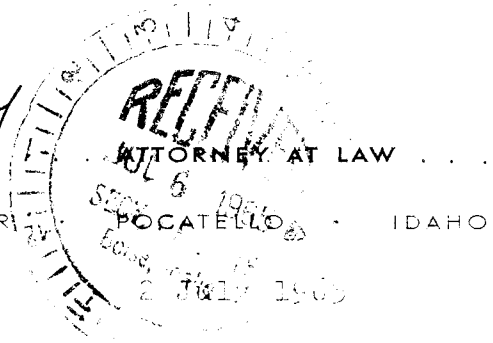
29 James B. Holladay
30 NOTARY PUBLIC FOR IDAHO
31 Residing at Pocatello,
Idaho

32 (SEAL)



Jayson Holladay

LAW OFFICES • 836 EAST CENTER



Office of the Secretary of State
State of Idaho
State House
Boise, Idaho

MEMPHIS: Robert Williams

Re: Physical Therapy Services, Inc.

Dear Mr. Williams:

Since receiving your letter of May 20, asking for my views on the status of Physical Therapy Services, Inc., as a professional service, I have done a considerable amount of briefing and have corresponded with the American Physical Therapy Association and their judicial section in New York City.

I do appreciate your interest and always enjoy my association with the Office of the Secretary of State. Incidentally, I certainly hope that Mr. Williams is considerably better by time this letter is received.

From a rather thorough study of this question in Fletcher Cyclopaedia on Corporations, it appears that the practice of physical therapy is not a vocation or "profession" which is denied the right to incorporate for the purpose of carrying on lawful services and business.

The key to this issue lies in the peculiar legal term "learned profession." In both Fletcher's Cyclopaedia on Corporations, the recognized authority on corporations, and in Words and Phrases, another encyclopedia, an important distinction is made between the term "professions" and "learned professions."

Section 97 of Volume 1 of Fletcher specifies but a few, restricted professions as within the definition "learned professions," which do not incorporate. Section 97 appears to limit the disability to the professions of law, medicine, dentistry and, possibly, professional teachers.

All other professional people are allowed to incorporate to carry on their lawful business. For example, architecture--certainly a profession of long-standing, has been uniformly held eligible for incorporation by any practitioner of architecture. Not only is this idea supported by Fletcher on Corporations, but the courts appear in agreement on the proposition. One of the leading cases is the

2 July 1965

California case of People v. Allied Architects Association of Los Angeles, reported in 257 P. 511. Another leading case on the same proposition is the Illinois case of Continental Paper Grading Company v. Howard L. Ficker & Associates, Inc., reported at 120 N.E. 2d 577.

In any event, a thorough study shows that the only problem is a distinction between a profession (or possibly a quasi-profession) on the one hand, and a "learned profession" on the other. The legal encyclopedia, Words and Phrases, is the authority in this regard. Following is the complete resumé in this respect:

"Physicians, teachers and lawyers belong to the 'learned professions.'" p. 460 of Words and Phrases; Glanders v. Daley, 46 S.W. 327.

About the nearest thing to our situation was the issue relating to optometry and other quasi-professions. In pointing out the distinction, all of these legal authorities adhered to the idea that the only professions denied the right to incorporate are learned professions such as medicine, dentistry and law. With regard to optometry, it is uniformly held that "optometry statutes do not attempt to classify optometry as a 'learned profession,' but uses the term 'profession' in its broader and more general meaning of a 'vocation'". In other words, the authorities claim that a profession such as optometry is really a "limited statutory profession."

The leading case cited in Words and Phrases dealt with a profession such as optometry, and I refer to the case of Silver v. Lashburn & Brothers, 111 F. 2d 516, 519, wherein it was held:

"A corporation may employ licensed optometrists to perform optometrist services for corporations' reasons, since optometry is not a 'learned profession'."

I have also found that physical therapists quite generally incorporate in the various states, and, as a matter of fact, I understand that there is a corporation in Idaho Falls, practicing and doing business as physical therapists.

Referring back to your letter of May 26, I would be inclined to agree that physical therapists would be able to incorporate under §30-1-03 of the Idaho Code, as amended, as a "professional corporation." However, this act relates primarily to tax aspects and ramifications and my clients are interested in more than the mere tax aspects of incorporation.

I am also sending an information copy of this letter to the American Physical Therapy Association in New York City, as I understand they have compiled a rather complete study and record of these aspects.

I am returning the articles of incorporation, heretofore submitted, in triplicate. Thank you again for your courtesy and I will await your itemized statement of filing charges, recording expense, certificate and license tax.

Very truly,
J. J. Quinn

cc: American Physical Therapy Assn. Jackson Holcomb
Encl.