

**ARTICLES OF INCORPORATION
OF
GRACE EDUCATION FOUNDATION CORPORATION**

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SECRETARY OF STATE
STATE OF IDAHO

The undersigned, acting as incorporator of a corporation under the Idaho Non-Profit Corporation Act, adopts the following Articles of Incorporation for such corporation:

ARTICLE I

The name of the corporation is GRACE EDUCATION FOUNDATION CORPORATION.

ARTICLE II

THIS CORPORATION IS A NON-PROFIT CORPORATION.

ARTICLE III

The period of its duration is perpetual. If for any reason of dissolution the money in the GRACE EDUCATION FOUNDATION CORPORATION will then automatically go to the GRACE SCHOOL DISTRICT #148.

ARTICLE IV

Section 1. Purposes. The purposes for which this corporation is formed are, in general, to promote, sponsor and carry our educational purposes and objectives: and it may, but not in limitation of the foregoing, receive, hold, own, use, manage, purchase, mortgage and dispose of property of all kinds, real, personal, and intangible, whether held absolutely or in trust, or by way of agency or otherwise, for the benefit of School District #148 schools.

Section 2. Powers. This corporation shall have and exercise all rights, powers, privileges and immunities provided by the Idaho Non-Profit Corporation Act, Idaho Code Section 30-310 et. esq., as amended.

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Section 3. Exempt Status. This corporation has not been formed for pecuniary profit or financial gain, and no part of the assets, income, of profit of the corporation is distributable to, or inures to the benefit of its directors or officers except to the extent permitted under the Idaho Non-Profit Corporation Act. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, nor intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue code of 1954 (or corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code of 1954 (Or the corresponding provision of any future United States Internal Revenue law).

ARTICLE V

This corporation shall have no members.

ARTICLE VI

This corporation is not a church and the management of its affairs shall be vested in the Board of Directors.

ARTICLE VII

The street address of its initial registered office is: 104 Hwy. 34, Grace, Idaho 83241, and the name of its initial registered agent at such address is: Max Nichols.

ARTICLE VIII

Directors

Section 1. Number. The number of directors of such corporation constituting the initial Board of Directors shall be Seven (7), which number may be increased from time to time, by resolution of the Board of Trustees of School District No. 148.

Section 2. Manner of Selection. The manner of selecting members of the Board of Directors of the corporation (with the exception of two members) and of filling vacancies on said board shall be by appointment by the Board of Trustees of School District No. 148, Grace, Idaho 83241 and upon the recommendation of the Board of Directors of the corporation. However, one of the directors shall be the vice-chairman of the Board of Trustees of School District No. 148, and one other director shall be the Superintendent of School District No. 148 or his designee.

Section 3. Term. All directors shall serve for a period of three (3) years, except the vice-chairman of the Board of Trustees and the Superintendent of the School District or his designee, who shall serve during their tenure of said offices; provided, however, that the initial directors shall be divided into three (3) classes whose terms of office shall expire at different times, but no term shall continue longer than three (3) years.

All directors shall serve until the expiration of their respective terms and until their respective successors are elected and qualified. Directors may be appointed or elected for successive terms.

Section 4. Vacancies. Vacancies for the unexpired term of any director shall be appointed by the Board of Trustees of School District No. 148 upon the recommendation of the Board of Directors.

Section 5. Initial Board of Directors. The name and street address of the initial Board of Directors are as follows;

1. Claudia Cook- (Chairperson) 1149 Hegstrom Rd., Grace, Idaho 83241.
2. Lawrence Fox(Vice-Chairperson) 16205 N. Cleveland Rd., Preston, Idaho 83263.
3. Max Nichols-Treasurer- 104 Hwy.34, Grace, Idaho 83241.
4. Callie Hamp-Secretary- 302 E. 1st N., Grace, Idaho 83241.
5. Marie Burton 205 E. 1st., Grace, Idaho 83241.
6. Eileen Farnsworth- 560 N. 2nd W., Grace, Idaho 83241.
7. Wade Wheeler- 1942 Telford Rd., Grace, Idaho 83241.
8. Don Jones- 819 S. 2nd E., Grace, Idaho 83241.

ARTICLE IX

The name and street address of the incorporator is Max Nichols, 104 Hwy.34, Grace, Idaho 83241.

ARTICLE X

The power to make, alter amend or appeal the bylaws of this corporation shall be vested in its Board of Directors, and the bylaws may contain any provision for the regulation and management of the affairs of this corporation not inconsistent with these Article of Incorporation and the laws of the State of Idaho.

ARTICLE XI

The power to amend these Articles of Incorporation is

expressly conferred upon the Board of Directors.

Dated this 15 day of Sept., 2005.

Claudia Cook (Chairperson) Claudia Cook

Lawrence Fox (Vice-Chairperson) Lawrence Fox

Max Nichols (Treasurer) Max Nichols

Callie Hamp (Secretary) Callie Hamp