#### FILED EFFECTIVE

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# ARTICLES OF INCORPORATION SECRETARY OF STATE OF IDAHO VAPOR LOCOMOTIVE COMPANY

The undersigned, in order to form a corporation under the provisions of the Idaho Business Corporation Act, submits the following articles of incorporation to the Idaho Secretary of State.

# ARTICLE I. NAME OF CORPORATION

The name of the corporation shall be Vapor Locomotive Company (hereinafter referenced as "Company").

# ARTICLE II. AUTHORIZED SHARES

The Company is authorized to issue one thousand (1,000) shares of stock.

#### ARTICLE III. REGISTERED AGENT

The Board of Directors shall designate a registered agent. The initial registered agent shall be WILLIAM M. BERG, whose address (registered office) is 708 Superior Street, Sandpoint ID 83864.

# ARTICLE IV. INCORPORATOR

The incorporator is MATTHEW A. JANSSEN whose address is PO Box 1627, Sandpoint ID 83864.

# ARTICLE V. COMPANY MAILING ADDRESS

The initial Company mailing address is PO Box 1627, Sandpoint ID 83864.

IDAHO SECRETARY OF STATE

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# ARTICLE VI. INITIAL DIRECTORS

The initial Director is:

Matthew A. Janssen, PO Box 1627, Sandpoint ID 83864.

#### ARTICLE VII. PURPOSE OF CORPORATION

The Company is initially organized to engage in the business of industrial equipment manufacture and sales. In addition, the Company may engage in any other lawful business activity

# ARTICLE VIII. TYPE OF CORPORATION

The Company shall elect to operate as a subchapter S Corporation pursuant to § 1362 of the Internal Revenue Code.

#### ARTICLE IX. MANAGEMENT

Company management shall be vested in the Board of Directors. The Board of Directors shall be elected by the shareholders at the annual meeting. The shareholders are limited to (a) electing Directors; (b) adopting and modifying the Bylaws; and (c) modifying the Articles of Incorporation.

# ARTICLE X. BOARD OF DIRECTORS

The Company shall have no less than two (2) Directors unless one hundred percent (100%) of the shares are held by a single shareholder, in which case there may be one (1) Director. The Board shall meet no less often than annually.

# ARTICLE XI. OFFICERS

The Board of Directors shall elect the Officers. There shall be a President and a Secretary. The Bylaws may specify additional officers.

### ARTICLE XIL INDEMNIFICATION

The Company shall indemnify its Officers and Directors from personal liability as the word "liability" is defined Section 30-1-850(5), Idaho Code. The terms of indemnification shall be consistent with the standards for liability set forth in Section 30-1-831, Idaho Code. Directors shall be liable to the Company for unlawful distributions as set forth in Section 30-1-833, Idaho Code. The Company, acting through its Board of Directors, may indemnify employees, agents, trustees and other personnel operating for or on behalf of the Company. No Officer, Director, or other person shall benefit from indemnification where the action or failure of action constituted (a) an intentional infliction of harm on the corporation or its shareholders, or (b) was an intentional violation of criminal law.

#### ARTICLE XIII. MODIFICATION

These Articles may be amended upon (a) a resolution of the Board of Directors; (b) adoption of the resolution by the Shareholders at a duly called meeting of the Shareholders; and (c) by the vote of a majority of the shares present and voting, or voted by proxy at said duly called meeting.

Matthew A. Janssen

Incorporator

STATE OF IDAHO COUNTY OF BONNER

Ss.

On this <u>Lf</u> day of <u>OBC</u>, in the year of 200 <u>S</u> before me, a Notary Public for the state of ideho, personally appeared Matthew A. Jansson, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that be she executed the same.

NOTARY PUBLIC

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