

ARTICLES OF INCORPORATION
of the
BUTTE BOISE & SAN FRANCISCO RAILWAY COMPANY

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, at least one of whom is a bona fide resident of the State of Idaho, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the state of Idaho:

AND WE HEREBY CERTIFY:

I.

That the name of the corporation is BUTTE, BOISE & SAN FRANCISCO RAILWAY COMPANY.

II.

That the purposes for which it is formed, are:

To purchase or otherwise acquire, construct, equip, lease and operate, by steam, electricity, or other motive power, surface, underground, or other railways for the conveyance and transportation of passengers, mail, express merchandise, or freight of any kind and to do generally the business of a common carrier by rail.

To purchase, or otherwise acquire, construct, equip, lease, or operate, telegraph and telephone lines to be used primarily in connection with its railway business, but to be subject to use at its option for the

reception, transmission, communication and delivery of telegraph or telephone messages for hire; also buy, construct, build, own, hold, lease, and maintain docks, wharfs, warehouses, freight sheds, engine houses, foundries, station houses, car shops, coal chutes, coal bunkers, power houses, power stations, generating stations, hydro-electric power stations, with authority to dispose of their surplus power, power lines, pipe lines, oil tanks, and other buildings and structures requisite or useful for the carrying out of the purposes and business of such railway; to buy, build, construct, charter, lease, own, maintain, and operate in connection with said railway, boats, steamers, barges, transports, tugs, and ferry boats for the transportation of freight and passengers for hire; also, to purchase, manufacture, build, construct, acquire, lease, own and operate turn outs, switches, sidings, branch lines, turntables, cars, engines, rolling stock, tools, and machinery of all kinds, with full power to sell and dispose of the same; to own stock in other railways.

To manufacture, generate, buy, sell, accumulate, transmit, store, furnish, transport and otherwise utilize electric current for light, heat and power, and all other lawful business in connection with its railway business, and the operation of its trains.

To manufacture, purchase, lease, or otherwise acquire, engines, motors, rolling stock and all kinds of appliances in the use and operation of railways.

To acquire by purchase, subscription, or other-

wise, to sell, assign, transfer, mortgage, pledge, or otherwise dispose of, any bonds or other promissory obligations, or any shares of the capital stock or certificates of interest of any other corporation or corporations, association or associations, of any state, territory or country, and while owner thereof to exercise any and to manage the affairs or take over and carry on the business of such other corporation or corporations so formed, or to be formed, either by acquiring the shares of stock, or other securities thereof, or otherwise, and to exercise all or any of the powers of holders of shares of stock, or other securities thereof, and to receive and distribute as profits the dividends and interest on such shares of stock or other securities.

To acquire and carry on all or any part of the business or property of any other corporation, person, firm, or association engaged in a business similar to any one or more of those authorized to be transacted by this corporation, and to assume in conjunction therewith any liabilities of any person, firm, association or corporation possessed of property suitable for any of the purposes of this corporation, or carrying on any business which this corporation is authorized to transact, and as the consideration of the same to pay cash or to issue shares of stock or obligations of this corporation, or to give other value therefor.

To borrow money, to make and issue promissory

notes, bills of exchange, bonds, debentures, and evidences of indebtedness of all kinds, without limit as to amount, for the purposes of this corporation, and to secure the rights, powers and privileges of ownership thereof, including the right to vote on such stock and certificates of interest; to aid in any manner any corporation or association of which any bond or other promissory obligations or stock, or certificates of interest, are held by this corporation, and to do any act or thing designed to protect, preserve, improve or enhance the value of any such bonds, obligations, stock or certificates of interest, including guaranty of payment of principal and interest thereon; to acquire, own, hold, mortgage, sell, dispose of, and transfer, real estate and any interest therein in any state or country, and in any state or country to acquire, own, hold, sell, mortgage and transfer any and all personal property, such as may be necessary, advisable or convenient in connection with the transaction of its business.

To cause or allow the legal title estate and interest in any property acquired, or business established or carried on by this corporation to remain or to be vested or registered in the name of or carried on by any other corporation or corporations, foreign or domestic, now formed, or to be formed, either in trust for or as agents or nominees of this corporation or upon any other terms or conditions which the Board of Directors of this corporation may consider for the benefit of this corporation,

and to manage the affairs or take over and carry on the business of such other corporation or corporations so formed, or other securities thereof, or otherwise, and to exercise all or any of the powers of holders of shares of stock or other securities thereof, and to receive and distribute as profits the dividends and interest on such shares or other securities.

To acquire and carry on all or any part of the business or property of any other corporation, person, firm, or association engaged in a business similar to any one or more of those authorized to be transacted by this corporation, and to assume in conjunction therewith any liabilities of any person, firm, association or corporation possessed of property suitable for any of the purposes of this corporation, or carrying on any business which this corporation is authorized to transact, and as the consideration of the same to pay cash or to issue shares of stock or obligations of this corporation, or to give other value therefor.

To borrow, money, to make and issue promissory notes, bills of exchange, bonds, debentures and evidences of indebtedness of all kinds, without limit as to amount, for the purposes of this corporation, and to secure the same by mortgage, pledge, or otherwise, of any or all properties or franchises wheresoever situated at any time owned by it.

To guarantee the payment of dividends or interest on shares of stock, bonds, debentures, or other securities issued by, or on any other contracts or

obligations of any corporation wherever, in the judgment of its Board of Directors, proper or necessary for the business of this corporation.

And this Company shall be subject to all duties imposed by the terms of the Idaho Revised Codes, Section 2715, and shall have and possess all powers and privileges conferred by the laws under which said corporation is organized, or which are contained in these Articles of Incorporation, and shall particularly possess all those powers specified by Chapter 2 of Title 4 of the Civil Code of the Revised Codes of Idaho, being sections 2793 to 2829, inclusive, of said Codes, whether said powers are hereinbefore specifically enumerated or not.

To carry out all or any part of the foregoing objects as principal or agents or in conjunction with any other person, firm, association or corporation and in any part of the world, except as hereinbefore otherwise specified.

To do all things necessary, useful or advisable in connection with the exercise of any of the powers or the attainment of any of the objects hereinabove enumerated.

The purposes hereinbefore enumerated shall not be construed to permit this corporation to carry on a banking business or to do the business of trust companies or corporations intended to derive profit from the loan or use of money.

The foregoing clauses shall be construed both as

objects and powers, and it is hereby expressly provided that the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the general powers which this corporation would otherwise have.

III.

The kind of road intended to be constructed is a standard gauge commercial railroad to be operated by steam, power, or at the option of the Directors, by electricity, with telegraph or telephone line to be used in connection therewith and it is intended that the same shall be run from Butte, Montana, to San Francisco, California, by the route generally described as follows:

Beginning at a point within or near the incorporated limits in the southwestern part of the City of Butte, in the County of Silver Bow, State of Montana; thence in a westerly direction by the most direct, feasible and convenient route along Silver Bow Creek and through the Silver Bow Canyon into the County of Deer Lodge; thence in a westerly direction to a point about four miles east of Anaconda, near the Washoe Smelters; thence in a southerly direction along said Mill Creek to the summit of the Rocky Mountains; thence down French Gulch in Beaverhead County, to the town of Ralston, in said State on the Big Hole River; thence in a southwesterly direction up said Big Hole River, to a point at or near the town of Wisdom in said Beaverhead County; thence in a southerly direction to a point near the town of Jackson and along past Jackson in a southerly direction to the summit of the Bitter Root range of mountains on the divide between the States of Idaho and Montana, at a point known as Gold Stone Pass; thence in a southwesterly direction down Pratt Creek or Timpey Creek in Lemhi County in the State of Idaho and in the most feasible and direct route to a point on the Lemhi River in said State; thence westerly by the most feasible and direct route to the City of Salmon, in the County of Lemhi, in said State; thence southwesterly up the Salmon River through said County of Lemhi to the town of Ellis; thence in a southwesterly direction along Salmon River to a point at or near the town of Challis in Custer County, Idaho, thence in a southerly and westerly direction along said Salmon River to a point at or near the town of Stanley; thence in a southwesterly direction up Valley Creek to Cape Horn by way of Stanley and Elk Creek to the summit of the

Sawtooth Range of Mountains in said State; thence in a southerly direction from Cape Horn via Cape Horn Creek along the summit of the Sawtooth range or by the most direct and convenient route to a point up Warm Springs Creek or Bogus Creek in Boise County in said State to the town of Lowmans on the Payette River; thence in a southwesterly direction by the most feasible, direct and convenient route to the divide between the Payette River and Grimes Creek; thence through or near Grimes Creek Pass to a point in the vicinity of the town of Pioneerville, or as near as practicable thereto; thence in a southwesterly direction to a point at or near the town of Centerville on Grimes Creek in said County; thence down Grimes Creek to its mouth where it enters Moore Creek; thence in a southerly direction by way of Moore Creek to a point where said Creek enters the Boise River; thence in a westerly direction along Boise River to the City of Boise, in Ada County, in said State, thence through the city of Boise in said County by the most convenient and direct route in a westerly direction through the county of Canyon to the City of Caldwell; thence in a southwesterly direction to the Snake River to a point opposite the town of Homedale, in Owyhee County, in said State; thence across said Snake River by the most feasible and direct route in a westerly direction to the mouth of Succor Creek Canyon; thence westerly through the Succor Creek Canyon to a point at or near Isaac's Ranch in Malheur County in the State of Oregon; thence up Succor Creek to a point at or near Sheaville in said State, thence southward by the most direct route to a point near the town of Jordan Valley; thence down the Jordan to a point near where that stream enters the Owyhee River, across the Owyhee and in a southwesterly direction following as near as practicable Crooked Creek for a distance of about 45 miles and as near as possible following the trail of the old Oregon and California Military Road to a point at the Southeast corner of Steen Mountains; thence by a westerly and southwesterly course to the northeast corner of the State of California. From that point in a southwesterly direction to Willow Ranch near the east bank of Goose Lake; thence along the east shore of Goose Lake to a point near where the line would intersect Pitt River; from there the line would follow in a southwesterly course down the Pitt River to where the Pitt River enters the Sacramento Valley at a point near Anderson, California, in a southerly direction and most practicable route on the west side of the Sacramento Valley to a point near Woodland. From Woodland in a southwesterly direction to a point near Napa Junction and from Napa Junction westerly and southerly by the most practicable route to the terminals at or near Sausalito, California.

The estimated length of said road as herein described is about 1066 miles.

No intermediate branches are contemplated at this time, but such branches and extensions may be constructed from time to time as may be deemed advisable by the Board of Directors, and such Board is authorized to make such deviations from the route herein described, and such alterations thereof, as they may deem advisable, and nothing contained in this paragraph shall be deemed to limit or restrict the general powers and purposes expressed in the preceding paragraph.

IV

The place where the principal business of the corporation is to be transacted is Boise, Idaho.

V

That the term for which it is to exist is fifty (50) years.

VI

That the number of its Directors is Nine (9) of whom Five (5) shall constitute a quorum for the transaction of business and every decision by a majority of such quorum shall be valid as a corporate act. All meetings of the Board of Directors may be held at the principal office of the corporation in this State, or at such other place or places within or without this State, for the transaction of any business of the corporation as the Directors may by resolution, or by the By-Laws provide. At least one member of the Board of Directors shall be a resident of this State, and

no other qualification as to resident of Directors shall be necessary.

VII

That the amount of the capital stock of said corporation is One Hundred and Twenty-five Million (\$125,000,000) Dollars and the number of shares into which it is divided is one million two hundred and fifty thousand (1,250,000), of the par value of One Hundred Dollars (\$100) each, and stockholders shall not be individually liable for the debts of the corporation.

VIII

That the amount of the capital stock which has been actually subscribed is 10,660 shares of the par value of \$ 1,066,000. which has been subscribed by the following persons:

| Names of Subscribers | No of shares | Par Value |
|---|--------------|--------------------|
| <u>L. O. Leonard</u> President <u>5387</u> | <u>5387</u> | <u>\$ 530,800.</u> |
| <u>T. F. Halverson</u> Vice-Pres. <u>5387</u> | <u>5387</u> | <u>\$ 530,800.</u> |
| <u>L. O. Leonard</u> Sec. & Treas. <u>11</u> | <u>11</u> | <u>\$ 1,100.</u> |
| <u>W. H. Mendenhall</u> | <u>1</u> | <u>\$ 100</u> |
| <u>W. H. Mendenhall</u> | <u>10</u> | <u>1,000</u> |
| <u>W. H. Mendenhall</u> | <u>1</u> | <u>100</u> |
| <u>W. H. Mendenhall</u> | <u>1</u> | <u>100</u> |
| <u>H. B. Wright</u> | <u>10</u> | <u>1,000.</u> |
| <u>W. H. Mendenhall</u> | <u>10</u> | <u>1,000</u> |

IX

That these Articles of Incorporation may be amended in any respect conformable to the laws of the State of Idaho by vote representing at least a majority of the outstanding capital stock thereof at a stockholders meeting called for that purpose, as provided by Section 2724 of the Codes of Idaho. Provided, that the original purposes of the corporation shall not be altered nor shall the capital stock be diminished to an amount less than fifty per cent (50) in excess of the indebtedness of the corporation, and provided, that the personal or individual liability of the holder of full paid capital stock for assessments or for obligations of the corporation shall not be changed without the consent of all the stockholders.

IN WITNESS WHEREOF, We have hereunto set our hands this 13th day of May A. D. 1914.

L. O. Leonard (SEAL)
T. J. Halverson (SEAL)
W. E. Keigh (SEAL)

Signed and executed
in the presence of

D. T. Miller

STATE OF IDAHO)
COUNTY OF ADA.) SS

On the 13th day of May, in the year
19 14 before me D. T. Miller a

Notary Public in and for said County, personally
appeared T. Leonard

J. T. Halverson and L. D. Dwyer

known to me to be the persons whose names are subscribed
to the within 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.

D. T. Miller
Notary Public.

AFFIDAVIT OF SUBSCRIPTION

STATE OF IDAHO)
COUNTY OF ADA.) ss

L. O. Leonard, being
first duly sworn on oath, deposes and says:

That he is the *president* named
in the foregoing Articles of Incorporation; that the
amount of capital stock thereof required by law, to-
wit, \$ *1,066,000* being \$1,000 for each mile
of said road, has been actually and in good faith
subscribed.

L. O. Leonard

Subscribed and sworn to before
me this 13th day of May,
A. D. 1916.

D. T. Miller
Notary Public.

State of Idaho, } ss.
COUNTY OF ADA, }

CERTIFICATE

I, STEPHEN UTTER, Ex-Officio Recorder in and for Ada County, State of Idaho, do hereby certify that the annexed is a full, true and correct copy of certain Articles of Incorporation of the

Butte, Boise and San Francisco Railway
Company

Numbered 1728 as the same appears in my office.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal this 14th day of May 1914

By Amy Bouch Deputy.

Stephen Utter
Ex-Officio Recorder.