



CERTIFICATE OF AUTHORITY  
OF

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of an Application of WATER WORKS, WATER BEDS AND HOT TUBS, INC. for a Certificate of Authority to transact business in this State, duly signed and verified pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Authority to WATER WORKS, WATER BEDS AND HOT TUBS, INC. to transact business in this State under the name WATER WORKS, WATER BEDS AND HOT TUBS, INC. and attach hereto a duplicate original of the Application for such Certificate.

Dated January 14, 19 88.



*Pete T. Cenarrusa*

SECRETARY OF STATE

\_\_\_\_\_  
Corporation Clerk

## APPLICATION FOR CERTIFICATE OF AUTHORITY

To the Secretary of State of Idaho.

Pursuant to Section 30-1-110, **Idaho Code**, the undersigned Corporation hereby applies for a Certificate of Authority to transact business in your State, and for that purpose, submits the following statement:

1. The name of the corporation is Water Works, Water Beds and Hot Tubs, Inc.
2. \*The name which it shall use in Idaho is Water Works, Water Beds and Hot Tubs, Inc.
3. It is incorporated under the laws of Oregon
4. The date of its incorporation is November 13, 1978 and the period of its duration is perpetual
5. The address of its principal office in the state or country under the laws of which it is incorporated is 1199 NW Wall, Bend, Oregon 97701
6. The address of its proposed registered office in Idaho is 4225 GOVT WAY  
COEUR D'ALENE IDAHO 83814, and the name of its proposed registered agent in Idaho at that address is Colin Dow
7. The purpose or purposes which it proposes to pursue in the transaction of business in Idaho are:  
retail sales of water beds, hot tubs and accessories
8. The names and respective addresses of its directors and officers are:

Name	Office	Address
<u>Colin Dow</u>	<u>President</u>	<u>314 Hanley, Couer d'Alene</u> <u>Idaho 83814</u>
<u>Edward L. DeWitt</u>	<u>Vice President</u>	<u>60685 River Bend Drive,</u> <u>Bend, Oregon 97701</u>
<u>Judy A. Jackson</u>	<u>Secretary</u>	<u>Star Route, Gilchrist,</u> <u>Oregon 97701</u>

9. The aggregate number of shares which it has authority to issue, itemized by classes, par value of shares, and shares without par value, is:

Number of Shares	Class	Par Value Per Share or Statement That Shares Are Without Par Value
<u>500</u>	<u>common</u>	<u>no par value</u>
<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>

(continued on reverse)

10. The aggregate number of its issued shares, itemized by classes, par value of shares, and shares without par value, is:

Number of Shares	Class	Par Value Per Share or Statement That Shares Are Without Par Value
270	common	no par value

11. The corporation accepts and shall comply with the provisions of the Constitution and the laws of the State of Idaho.

12. This Application is accompanied by a copy of its articles of incorporation and amendments thereto, duly authenticated by the proper officer of the state or country under the laws of which it is incorporated.

Dated 10-24, 19 79.

WATER WORKS, WATER BEDS AND HOT TUBS, INC.

By Colin J. Dow

Its President

and Judy A. Jackson  
Its Secretary

STATE OF IDAHO )  
COUNTY OF Kootenai ) ss:

I, Pat Hanebuth, a notary public, do hereby certify that on this 24th day of October, 19 79, personally appeared before me COLIN DOW, who being by me first duly sworn, declared that he is the President of Water Works, Water Beds and Hot Tubs, Inc.

that he signed the foregoing document as President of the corporation and that the statements therein contained are true.

Pat Hanebuth  
Notary Public

\*Pursuant to section 30-1-108(b)(1), **Idaho Code**, if the corporation assumes a name other than its true name, this application must be accompanied by a resolution of the Board of Directors to that effect.



## Department of Commerce Corporation Division

I, **Frank J. Healy**, Corporation Commissioner and Custodian of the Seal of the Corporation Division of the Department of Commerce of the State of Oregon, DO HEREBY CERTIFY:

That I have carefully compared the annexed copy of the Articles of Incorporation of  
WATER WORKS, WATER BEDS AND HOT TUBS, INC.

with the original thereof now on file in my office; that the same is a correct transcript therefrom and of the whole thereof; that there are no amendments to said Articles of Incorporation on file in this office; that this authentication is in due form and by the proper officer; and

I FURTHER CERTIFY that the above corporation is, at the date of this certificate, duly authorized to transact business within this state and is in good standing as a subsisting corporation, having filed all reports and made all payments to this office that are required by the laws of this state.

In Testimony Whereof, I have hereunto set my hand and affixed hereto the seal of the Corporation Division of the Department of Commerce of the State of Oregon this 9th day of October, 1979.

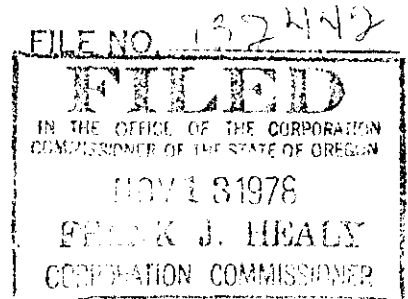


**Frank J. Healy**  
Corporation Commissioner

By Shirley Smith

ARTICLES OF INCORPORATION  
OF

WATER WORKS, WATER BEDS AND HOT TUBS, INC.



I, the undersigned natural person of the age of 18 years or more, acting as incorporator under the Oregon Business Corporation Act, adopt the following Articles of Incorporation:

ARTICLE I

The name of the corporation is WATER WORKS, WATER BEDS AND HOT TUBS, INC., and its duration shall be perpetual.

ARTICLE II

The initial registered office of the corporation in the State of Oregon is 1199 N. W. Wall Street, Bend, Oregon 97701, and the initial registered agent for the corporation is GERALD R. KOLB.

ARTICLE III

The purposes and powers of the corporation are:

(1) To engage in the retail sale of water beds, hot tubs and their accessories;

(2) To engage in any lawful activity for which corporations may be organized under ORS Chapter 57;

(3) to engage in any lawful activity and to do anything in the operation of this corporation or for the accomplishment of any of its purposes or for the exercise of any power herein set forth which shall appear necessary or beneficial to this corporation in connection therewith.

#### ARTICLE IV

The amount of total authorized capital of this corporation shall be:

(1) 500 shares of common stock, no par value;

(2) No shareholder shall have the preferential or preemptive right to subscribe for or purchase any stock of any class, any rights, warrants or options with respect thereto, or any obligation convertible unto or exchangeable for any such stock or other security whether out of unissued stock or other securities or out of stock or other securities acquired by the corporation after the issue thereof regardless of the consideration therefor;

(3) Each shareholder shall have one vote for each share held of record on all matters admitted for shareholder approval. No shareholder shall be entitled to accumulate his votes for election of directors.

#### ARTICLE V

The members of the governing Board shall be known as Directors, and the number thereof shall be fixed by the Bylaws of this corporation. The initial Board of Directors shall consist of three (3) directors, whose names and residence addresses are:

COLIN DOW, 314 Handley, Coeur d'Alene, Idaho;

EDWARD L. DeWITT, 60685 River Bend Drive,  
Bend, Oregon;

TOM JACKSON, Star Route, Gilchrist, Oregon.

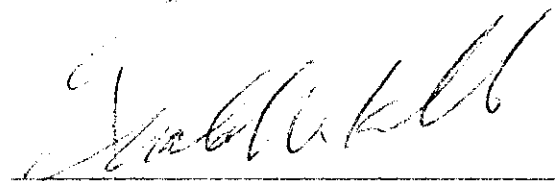
ARTICLE VI

The corporation shall indemnify, exonerate, reimburse or defend any present or former director, officer, employee, affiliate, agent or contractor of this corporation for expenses, claims, liabilities, indebtedness, penalties, damage or injury incurred by or caused by them in such capacity except for their own negligence, knowing unauthorized acts of defaultations not ratified, confirmed or adopted or the benefit thereof received by this corporation.

ARTICLE VII

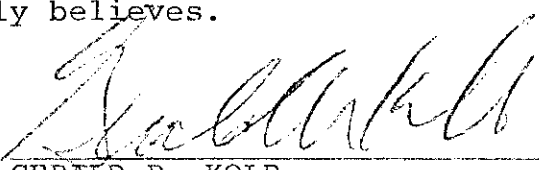
The name and post office address of the incorporator signing the Articles of Incorporation is GERALD R. KOLB, P. O. Box 343, 1199 N. W. Wall Street, Bend, Oregon 97701.

These Articles of Incorporation have been adopted and executed on November 8, 1978.

  
GERALD R. KOLB

STATE OF OREGON                    )  
  ) ss.  
County of Deschutes                )

GERALD R. KOLB, having been first duly sworn, deposes and says: He is the incorporator named in the foregoing Articles of Incorporation and has executed the same; the statements therein contained are true as he verily believes.

  
GERALD R. KOLB

SUBSCRIBED AND SWORN to before me this 8 day of  
November, 1978.

Katherine A. Sweeney  
Notary Public for Oregon  
My Commission Expires: 1/26/80