

State of Idaho



Department of State

CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, 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

E. KRAUT FARMS, INC.

was filed in the office of the Secretary of State on the **9th** day of **April** A.D., One Thousand Nine Hundred **seventy-five** and ~~will be~~ ~~duly recorded on Film 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 **Genesee, Idaho** in the County of **Latah**

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 **9th** day of **April**, A.D., 19 **75**.

Pete T. Cenarrusa
Secretary of State.

Corporation Clerk.

ARTICLES OF INCORPORATION

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E. KRAUT FARMS, INC.

THE UNDERSIGNED, being over the age of twenty-one (21) years, citizens of the United States, and for the purpose of forming a corporation under the Idaho Business Corporation Act hereby certify and adopt in triplicate the following Articles of Incorporation:

ARTICLE I. NAME

The name of this corporation shall be E. KRAUT FARMS, INC. and its existence shall be perpetual.

ARTICLE II. PURPOSES

The purposes and objects of this corporation are as follows:

1. Farming, ranching and related activities.
2. To engage in generally and carry on any lawful business or trade which may, in the judgment of the Board of Directors, at any time be necessary, useful or advantageous to this corporation.
3. In furtherance of and not in limitation of the general powers conferred by the laws of the State of Idaho, it is expressly provided that this corporation shall also have the following powers:
 - (a) To acquire by purchase or otherwise and to own, hold, cancel, reissue, sell, pledge and otherwise deal in the stock of this corporation, provided that the money or property of the corporation shall not be used for purchase of shares of its own stock when such use would cause any impairment of the capital of the corporation. The corporation shall not be entitled to vote, either directly or indirectly, on any shares of its own stock which it may hold.

- (b) To acquire by purchase or otherwise and to own, hold, cancel, reissue, sell; pledge and otherwise deal in the bonds, debenture, notes and other securities and obligations of this corporation.
- (c) To borrow money and give security therefor.
- (d) To enter into, make, perform and carry out contracts of every kind for any lawful purposes pertaining to its business, with any individual, entity, firm, association, or corporation, or with any governmental, municipal, or public authority, domestic or foreign.
- (e) To do everything necessary, proper, convenient, or incidental to the accomplishment of the purposes and objects of this corporation, or which is calculated directly or indirectly to promote the welfare or interests of the corporation or enhance the value or render profitable any of its property or rights.
- (f) To do any and all of the things in this Article set forth to the same extent a natural person might or could do and in any part of the world, as principals, agents, contractors, trustees, or otherwise, either alone or in company with others.

PROVIDED, HOWEVER, that nothing herein contained shall be deemed to authorize or permit the corporation to carry on any business, to exercise any power or to do any act which a corporation formed under the Business Corporation Act of the State of Idaho, or any amendment thereto or substitute therefor, may not at the time lawfully carry on or do.

ARTICLE III. PRE-EMPTIVE RIGHTS

Shareholders of this corporation shall not have pre-emptive rights to acquire additional shares offered for sale by the corporation.

ARTICLE IV. REGISTERED OFFICE AND AGENT

1. The location and post office address of the registered office of the corporation in this State shall be Route 1 Box 13A, Genesee, Idaho 83832.

2. The name and address of the registered agent is as follows: ELMOR A. KRAUT, Route 1 Box 13 A, Gensee, Idaho 83832.

ARTICLE V. CAPITAL STOCK

1. The total capital stock of the corporation shall be \$ 50,000 and the number of shares of stock authorized and which may be issued by this corporation is 500 shares, divided into classes with the designation, number of shares and par value as follows:

a.	Preferred stock:	\$10,000
	Total number of shares authorized:	100
	Par Value:	\$100
b.	Common Stock:	\$40,000
	Total number of shares authorized:	400
	Par Value:	\$100

2. The preferences, limitations and relative rights in respect of the shares of each class of stock shall be as follows:

- a. Voting rights. The shares of preferred stock shall have full and exclusive voting rights, each share being entitled to one vote. Holders of common shares shall have no voting rights.
- b. Dividends. The holders of preferred shares shall be entitled to receive out of the assets of this corporation and at the time legally available for the declaration of dividends, dividends at

the rate of but, except as hereinafter provided, not exceeding six per cent per annum of the par value of said preferred shares. Said dividends shall not be cumulative; shall be paid in cash, property or shares of this corporation at such intervals as the Board of Directors may from time to time determine; and shall be fully paid, including accumulated and unpaid dividends, but without interest, before any dividends shall be declared or paid upon or set apart for the shares of the common stock. In addition to such dividends, the holders of preferred shares shall be entitled, after the holders of common shares have received dividends in any fiscal year of \$ 6.00 on each of such common shares held by them, to participate share for share with the holders of the common shares in any additional dividends paid or set apart for payment in such fiscal year.

- c. Liquidation. In the event of a voluntary or involuntary liquidation, dissolution or winding up of this corporation, the holders of preferred shares shall be entitled to receive out of the assets of this corporation, an amount equal to 100% of the par value of such preferred shares, plus an amount equal to all dividends accumulated and unpaid thereon to the date of distribution and whether earned or declared or not, before any payment shall be made or any assets distributed to the holders of common shares.

If, upon the occurrence of said event, the assets thus distributable among the holders of preferred shares are insufficient to permit payment of said full preferential amount to the holders of preferred shares, then such assets shall be distributed ratably among them. If, upon the occurrence of said event, the assets are sufficient to fully pay said preferential amounts to the holders of preferred shares, then the holders of the common shares shall be entitled to receive, ratably, all remaining assets of this corporation.

A consolidation or merger of this corporation with or into any other corporation or corporations shall not be deemed to be a liquidation, dissolution or winding up within the meaning of this clause.

- d. Conversion of shares. No shareholder of this corporation shall have the privilege of converting the shares of one class of stock for shares of another class of stock.
- e. Redemption. The preferred shares shall be redeemable in whole or in part, at any time or from time to time, at the option of and upon the unanimous vote of the Board of Directors, at \$100 per share, plus an amount equal to all accumulated and unpaid dividends thereon, whether or not earned or declared. Any such redemption shall be upon such notice and additional terms as are set forth in the By-Laws of this corporation.
- f. Limitation on preferred shares. Except as otherwise provided herein, the preferred shares shall not be entitled to participate in the earnings or assets of the corporation.

3. No stock in the corporation shall be issued or transferred to other than an incorporator or the lawful lineal descendant of an incorporator unless the stock shall have been first offered for sale to the other shareholders, and if rejected, to the corporation on the terms and conditions and in accordance with the proceedings set forth in the By-Laws of the corporation.

4. The corporation reserves the right to amend, alter, change or repeal any provisions contained in its Articles of Incorporation in any manner now or hereafter prescribed or permitted by statute. All rights of stockholders of the corporation are granted subject to this reservation.

ARTICLE VI. PAID IN CAPITAL

The amount of paid-in capital with which the corporation will begin business is Five Hundred Dollars (\$500.00).

ARTICLE VII. DIRECTORS

1. The number of Directors of the corporation shall be fixed as provided in the By-Laws, and may be changed from time to time

by amending the By-Laws, as therein provided, but the number of Directors shall not be less than three nor more than nine.

2. In furtherance of and not in limitation of the powers conferred by the laws of the State of Idaho, the Board of Directors is expressly authorized to make, alter and repeal the By-Laws of the corporation, subject to the power of the stockholders of the corporation to change or repeal such By-Laws.

3. The corporation may enter into contracts and otherwise transact business as vendor, purchaser, or otherwise, with its Directors, officers and stockholders and with corporations, associations, firms and entities in which they are or may be or become interested as Directors, officers, shareholders, members or otherwise, as freely as though such adverse interests did not exist, even though the vote, action or presence of such Director, officer or stockholder may be necessary to obligate the corporation upon such contracts or transactions; and in the absence of fraud no such contract or transaction shall be avoided and no such Director, officer or stockholder shall be held liable to account to the corporation, by reason of such adverse interests or by reason of any fiduciary relationship to the corporation arising out of such office or stock ownership, for any profit or benefit realized by him through any such contract or transaction; provided that in the case of Directors and officers of the corporation (but not in the case of stockholders who are not Directors or officers) the nature of the interest of such Director or officer, though not necessarily the details or extent thereof, be disclosed or known to the Board.

of Directors of the corporation, at the meeting thereof at which such contract or transaction is authorized or confirmed. A general notice that a Director or officer of the corporation is interested in any corporation, association, firm or entity shall be sufficient disclosure as to such Director or officer with respect to all contracts and transactions with that corporation, association, firm or entity.

4. Any contract, transaction, or act of the corporation or of the Directors or of any officers of the corporation which shall be ratified by a majority of a quorum of the stockholders of the corporation at any annual meeting or any special meeting called for such purpose, shall insofar as permitted by law, be as valid and as binding as though ratified by every stockholder of the corporation.

5. The first Directors of this corporation shall be in number and their post office addresses are as follows:

<u>Name</u>	<u>Post Office Address</u>
ELMOR A. KRAUT	Route 1 Box 13A, Genesee, Idaho 83832
SYLVIA M. KRAUT	Route 1 Box 13A, Genesee, Idaho 83832
PAUL A. KRAUT	Route 1 Box 13A, Genesee, Idaho 83832

The term of the first Directors shall be until the first annual meeting of the stockholders of the corporation and until their successors are elected and qualified. The first annual meeting shall be held on the following date: February 4, 1976.

ARTICLE VII. INCORPORATORS

The names and post office addresses of each of the incorporators and the number and class of shares subscribed by each is as follows:

Name	Post Office Address	Stock Subscribed For	
		COMMON	PREFERRED
ELMOR A. KRAUT	Route 1 Box 13A Genesee, Idaho 83832	200	50
SYLVIA M. KRAUT	Route 1 Box 13A Genesee, Idaho 83832	199	50
PAUL A. KRAUT	Route 1 Box 13A Genesee, Idaho 83832	1	0

IN WITNESS WHEREOF, the incorporators hereinabove named have hereunto set their hands in triplicate this 31st day of March, 1975.

Elmor A Kraut

Sylvia M Kraut

Paul A Kraut

