

# State of Idaho

## Department of State.

### CERTIFICATE OF INCORPORATION OF

~~HAGERMAN HARDWARE INC.~~

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of \_\_\_\_\_

~~HAGERMAN HARDWARE INC.~~

duly signed 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 Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated November 30, 19 79.



A handwritten signature in cursive script, reading "Pete T. Cenarrusa".

SECRETARY OF STATE

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

ARTICLES OF INCORPORATION  
OF

HAGERMAN HARDWARE INC.

Nov 30  
1:17 P.M.

NAME: The name of this Corporation is HAGERMAN HARDWARE INC.

DURATION: The period of its duration is perpetual.

PURPOSE: The purpose of this corporation is to engage in all business not forbidden by law and particularly to own and operate retail hardware stores.

REGISTERED OFFICE. The location of the Registered Office of this corporation is State and Orchard Streets, Hagerman, Idaho.

The post office address of this corporation is P.O. Box 200, Hagerman, Idaho 83332

REGISTERED AGENT: The name and address of the Registered Agent of the Corporation in this state is Beverly G. Hawkins, P.O. Box 200, Hagerman, Idaho 83332

CAPITAL STOCK: The corporation shall have the authority to issue 5,000 shares of CLASS A COMMON STOCK. Each share of CLASS A COMMON STOCK shall have a par value of \$1.00 and the total par value for all the shares of CLASS A COMMON STOCK shall be \$5,000.00.

The Corporation shall have the authority to issue 2,000 shares of CLASS B COMMON STOCK. Each share of CLASS B COMMON STOCK shall have a par value of \$10.00 and the total par value for all the shares of CLASS B COMMON STOCK shall be \$20,000.

The aggregate par value of both CLASS A COMMON STOCK and CLASS B COMMON STOCK shall be \$25,000.

RESTRICTION ON TRANSFERABILITY OF SHARES OF CLASS A COMMON STOCK: The holders of the shares of CLASS A COMMON STOCK of this corporation shall be entitled to sell their shares of stock on the open market subject to the following conditions:

FIRST: Before the stock is offered for sale on the open market, the stock must first be offered to the corporation at a price not exceeding the fair value of the stock.

SECOND: If the corporation does not purchase the stock so offered, the stock must be offered to the remaining shareholders of CLASS A COMMON STOCK at a price not exceeding the fair value of the stock.

THIRD. If the remaining shareholders of CLASS A COMMON STOCK do not purchase the stock so offered, the shares must then be offered to the shareholders of CLASS B COMMON STOCK at a price not exceeding the fair market value of the stock;

FOURTH: The corporation has the right to redeem the stock of a deceased shareholder at a price not exceeding the fair value of the stock at the end of the month preceeding the month in which the shareholder died.

FIFTH: If the corporation does not redeem the stock of a deceased shareholder, the remaining shareholders of CLASS A COMMON STOCK shall have the right to purchase the stock at a price not exceeding the fair value of the stock at the end of the month preceeding the month in which the shareholder died.

SIXTH: If the remaining shareholders of CLASS A COMMON STOCK do not purchase the stock of a deceased shareholder, the remaining shareholders of CLASS B COMMON STOCK shall have the right to purchase the stock at a price not exceeding the fair value of the stock at the end of the month preceeding month in which the shareholder died.

RESTRICTION ON TRANSFERABILITY OF SHARES OF CLASS B COMMON STOCK: The holders of the shares of CLASS B COMMON STOCK of this corporation shall be entitled to sell their shares of stock on the open market subject to the following conditions:

FIRST: Before the stock is offered for sale on the open market, the stock must first be offered to the corporation at a price not exceeding the fair value of the stock.

SECOND: If the corporation does not purchase the stock so offered, the stock must be offered to the remaining shareholders of CLASS B COMMON STOCK at a price not exceeding the fair value of the stock.

THIRD: If the remaining shareholders of CLASS B COMMON STOCK do not purchase the stock so offered, the shares must then be offered to the shareholders of CLASS A COMMON STOCK at a price not exceeding the fair market value of the stock;

FOURTH: The corporation has the right to redeem the stock of a deceased shareholder at a price not exceeding the fair value of the stock at the end of the month preceeding the month in which the shareholder died.

FIFTH: If the corporation does not redeem the stock of a deceased shareholder, the remaining shareholders of CLASS B COMMON STOCK shall have the right to purchase the stock at a price not exceeding the fair value of the stock at the end of the month preceeding the month in which the shareholder died.

SIXTH: If the remaining shareholders of CLASS B COMMON STOCK do not purchase the stock of a deceased shareholder, the remaining shareholders of CLASS A COMMON STOCK shall have the right to purchase the stock at a price not exceeding the fair value of the stock at the end of the month preceeding month in which the shareholder died.

DIVIDENDS. Dividends, if and when declared by the Board of Directors of the Corporation, may be declared only on CLASS A COMMON STOCK or only on CLASS B COMMON STOCK or on both CLASS A COMMON STOCK and CLASS B COMMON STOCK as the Board of Directors shall determine.

PREEMPTIVE RIGHTS: The shares of CLASS B COMMON STOCK shall not have preemptive rights of any kind.

REDEMPTION OF SHARES OF CLASS B COMMON STOCK: The shares of CLASS B COMMON STOCK held by any shareholder shall be subject to redemption by the Corporation upon two days notice to such shareholder and at a value to be determined solely by the Board of Directors of the Corporation. Such right of redemption shall be exercised by the Corporation through the Board of Directors either as to a single shareholder of CLASS B COMMON STOCK or as to a group of shareholders of CLASS B COMMON STOCK or as to all of the shareholders of CLASS B COMMON STOCK. Such right of redemption shall extend to any portion or all of the shares of CLASS B COMMON STOCK held by any shareholder.

DISTRIBUTION TO SHAREHOLDERS ON LIQUIDATION: On liquidation of the assets of the Corporation, each share of CLASS A COMMON STOCK shall be entitled to ten percent of the amount distributed to each share of CLASS B COMMON STOCK.

INITIAL BOARD OF DIRECTORS. The initial Board of Directors shall have one member. The name and address of the initial member of the Board of Directors is Beverly G. Hawkins, P.O. Box 200, Hagerman, Idaho 83332

INDEMNIFICATION OF OFFICERS AND DIRECTORS: Every director and officer of the corporation may be indemnified against all liabilities, civil and criminal, incurred in relation to the duties of that person, including all reasonable expenses of defense, except to the extent that such person shall have been finally adjudged liable for negligence or misconduct in the matters out of which the liability arises. The obligation of the corporation to indemnify shall be determined on a case by case basis and shall not be mandatory.

AMENDING BYLAWS: The Board of Directors of this corporation is authorized to make, amend and repeal the bylaws of the corporation except those sections of the bylaws specifically designated by the shareholders as not to be amended or repealed by the Board of Directors.

INCORPORATOR. The name and address of the incorporator is: Beverly G. Hawkins, P.O. Box 200, Hagerman, Idaho

DATE: November 30, 1979

SIGNATURE OF THE INCORPORATOR:

  
BEVERLY G. HAWKINS