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FILED

JUN 23 2015

ARTICLES OF INCORPORATION  
OF  
BGI-RILG, INC.

OREGON  
SECRETARY OF STATE

The undersigned, acting as the incorporator of a corporation under the Oregon Business Corporation Act (this Act as amended from time to time is referred to herein as the "Act"), adopts the following Articles of Incorporation.

1. NAME

The name of the Corporation is BGI-RILG, INC.

2. PERIOD OF DURATION

The period of duration of the Corporation is perpetual.

3. ADDRESS OF INITIAL REGISTERED OFFICE AND NAME OF INITIAL REGISTERED AGENT

3.1 Registered Office. The address of the initial registered office of the Corporation is 8840 SW Holly Lane, Suite 200, Wilsonville, OR 97070.

3.2 Registered Agent. The name of the initial registered agent of the Corporation, an individual resident in Oregon whose business office is at such address, is Bakulesh G. Patel.

4. MAILING ADDRESS FOR NOTICES PURSUANT TO ACT

The principal office address of the Corporation where the Division may mail notices is: c/o Bakulesh G. Patel, P.O. Box 1670, Wilsonville, Oregon 97070.

5. DEFINITIONS

5.1 Act. Means the Oregon Business Corporation Act.

5.2 Corporation. "Corporation" shall mean BGI-RILG, Inc.

5.3 Lender. "Lender" shall mean the holder of the promissory note evidencing the Corporation's indebtedness as described in the Loan Documents, and which Indebtedness/Loan is secured by a first/senior mortgage/deed of trust, assignment of rents and perfected security interest on the Property. "Lender" also includes any successors and/or assigns of the Lender.

5.4 Loan Documents. "Loan Documents" shall mean, collectively, all documents evidencing and securing the Loan or Indebtedness, including promissory note, loan agreement, mortgage/deed of trust, assignment of rents and security agreement

BGI-RILG, INC.



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**5.5 Loan or Indebtedness.** “Loan” or “Indebtedness” means the indebtedness or obligation owing to Lender, its successors and/or assigns, and which Indebtedness or obligations is secured by the Property.

**5.6 Property.** “Property” shall mean the improved real property, all tangible and intangible personal property, and rents located at 1711 21<sup>st</sup> Street, La Grande, Oregon 97850.

Other defined terms would include other terms defined in these Articles of Incorporation that have the meaning so given them.

## **6. PURPOSE, POWERS AND LIMITATIONS**

### **6.1 Purpose.**

6.1.1 Subject to the provisions of this Agreement, the business of the Corporation is solely to (i) perform its obligations and exercise its rights as required by its agreements or contracts contemplated thereby, and to carry out the terms of and engage in the transactions contemplated by such agreement; (ii) acquire, hold, maintain, operate, entitle, improve, develop, lease, sell and otherwise use the Property for profit; (iii) borrow money and issue evidence of indebtedness, in furtherance of any or all of the objectives of the Corporation’s business and to secure the same by mortgage, pledge or other liens; and (iv) do any and all other acts or things that may be incidental or necessary to carry on the business of the Corporation as described in the clauses (i), (ii) and (iii) above. The Corporation is not authorized to, and shall not, engage in any business other than as described in this Section.

6.1.2 The Corporation, its directors and officers, on behalf of the Corporation, may enter into and perform the Loan Documents and all documents, agreements, certificates and financing statements contemplated thereby or related thereto, all without any further act, vote or approval of any Director, Shareholder or any other Person notwithstanding any other provision of this Agreement, the Act or applicable law, rule or regulation. The foregoing authorization shall not be deemed a restriction on the powers of the Directors or Officers to enter into other agreements on behalf of the Corporation.

6.1.3 Subject to Section 6.2, the Corporation may engage in any lawful act or activity for which a corporation may be organized under the Oregon Business Corporation Act, now or hereafter in effect, and to do any such

things as fully, and to the same extent as, a natural person might or could do them.

**6.2 Requirements and Limitations.** Notwithstanding anything in these Articles of Incorporation to the contrary, including but not limited to Section 6.1, unless and until that certain loan (the "Loan") from Lender, or its transferees, successors and assigns, to the Corporation evidenced and secured by certain Loan Documents including, without limitation, a mortgage (the "Security Instrument") encumbering the Property has been paid in full in accordance with the terms and provisions of such Security Instrument and other Loan Documents, the Corporation covenants and agrees that the following provisions shall apply:

6.2.1 Purpose. The Corporation's business and purpose shall consist solely of the acquisition, ownership, operation and maintenance of the Property and activities incidental thereto.

6.2.2 Powers and Duties. Without the affirmative vote of a majority of the Board of Directors, the Corporation shall have no authority on behalf of the Corporation to:

(a) incur any debt, secure or unsecured, direct or contingent (including guaranteeing any obligation), other than obligations secured by the Security Instrument, except unsecured trade payables incurred in the ordinary course of its business of owning and operating the Property in such amounts as are normal and reasonable under the circumstances, provided that such debt is not evidenced by a note and is paid within sixty (60) days of the date incurred, and provided in any event the outstanding principal balance of such debt shall not exceed at any one time six percent (6%) of the outstanding obligations secured by the Security Instrument.

(b) to the fullest extent permitted by law, seek the dissolution or winding up, in whole or in part, of the Corporation;

(c) merge into or consolidate with any person or entity or to the fullest extent permitted by law, dissolve, terminate or liquidated, in whole or in part, transfer or otherwise dispose of all or substantially all of its assets or change its legal structure; or

(d) amend, modify or alter all or any portion of this Section 2.06.

Notwithstanding the foregoing and so long as any obligation secured by the Security Instrument remains outstanding and not discharged in full, the Corporation shall have no authority to take any action in items (a) through (d) without the written consent of the holder of the Security Instrument.

6.2.3 Corporation Property. All property owned by the Corporation shall be owned by the Corporation as an entity and, insofar as permitted by applicable law, no Shareholder shall have any ownership interest in any Corporation property in its individual name or right, and each Shareholder's shares of stock in the Corporation shall be personal property for all purposes.

6.2.4 Separateness/Operations Matters. The Corporation has not and shall not:

(a) engage in any business or activity other than the acquisition, development, ownership, operation, leasing and managing and maintenance of the Property, and entering into the Loan and activities incidental thereto;

(b) acquire or own any material assets other than (i) the Property, and (ii) such incidental Personal Property (as defined in the Security Instrument) as may be necessary for the operation of the Property;

(c) merge into or consolidate with any person or entity or, to the fullest extent permitted by law, dissolve, terminate or liquidate in whole or in part, transfer or otherwise dispose of all or substantially all of its assets or change its legal structure, without the prior written consent of Lender;

(d) fail to observe its organizational formalities or preserve its existence as an entity duly organized, validly existing and in good standing (if applicable) under the laws of the jurisdiction of its organization or formation, and qualification to do business in the State where the Property is located, if applicable, or (ii) without the prior written consent of Lender, amend, modify, terminate or fail to comply with the Corporation's Articles of Incorporation or similar organizational documents, as the case may be;

(e) own any subsidiary or make any investment in, any person or entity without the prior written consent of Lender;

(f) commingle its assets with the assets of any of its shareholders, affiliates, principals or of any other person or entity, participate in a cash management system with any other entity or person, fail to use its own separate stationary, telephone number, invoices and checks other than for the Corporation's own business;

(g) become insolvent and fail to pay its debts and liabilities (including, as applicable, shared personnel and overhead expenses) from its assets as the same shall become due;

(h) (i) fail to maintain its records (including financial statements), books of account and bank accounts separate and apart from those of the shareholders, principals and affiliates of the Corporation, and any other person or entity, (ii) permit its assets or liabilities to be listed as assets or liabilities on the financial statement of any other entity or person, or (iii) include the assets or liabilities of any other person or entity on its financial statements;

(i) enter into any contract or agreement with any shareholder or affiliate of the Corporation, any guarantor of the Loan, or any member principal or affiliate thereof (other than a management agreement with an affiliate of the Corporation, so long as (i) such agreement is acceptable by Lender, (ii) the manager, or equivalent thereof, under such agreement holds itself out as an agent of the Corporation, and (iii) the agreement is on terms and conditions that are commercially reasonable, intrinsically fair and substantially similar to those that would be available on an arms-length basis with third parties other than any shareholder or affiliate of the Corporation, any guarantor of the Loan, or any member, principal or affiliate thereof);

(j) fail to correct any known misunderstandings regarding the separate identity of the Corporation or any member, principal, or affiliate thereof or any other person;

(k) guarantee or become obligated for the debts of any other entity or person or hold itself out to be responsible for the debts of another person or entity, or use its assets to pay the debts of another entity or person;

(l) fail to file its own tax returns or be included on the tax returns of any other person or entity except as required by applicable law;

(m) fail either to hold itself out to the public as a legal entity separate and distinct from any other entity or person or to conduct its business solely in its own name in order not (i) to mislead others as to the identity with which such other party is transacting business, or (ii) to suggest that the Corporation is responsible for the debts of any third party (including any member, principal or affiliate of the Corporation, or any member, principal or affiliate thereof);

(n) fail to maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations;

(o) have any common logo, with or hold itself out as or be considered as a department or division of the Corporation or any other person or entity;

(p) fail to allocate fairly or reasonably any overhead expenses that are shared with an affiliate, including paying for office space and services performed by any employee of an affiliate;

(q) pledge its assets for the benefit of any other person or entity, other than with respect to the Loan;

(r) fail to maintain a sufficient number of employees in light of its contemplated business operations;

(s) fail to hold its assets in its own name;

(t) fail to consider the interests of its creditors in connection with all Corporation actions to the extent permitted by applicable law; or

(u) unless otherwise permitted by the Loan Documents (as defined in the Security Instrument), have any of its obligations guaranteed by an affiliate.

6.2.5 Subordination of Indemnification Provisions. Notwithstanding any provision hereof to the contrary, any indemnification claim against the Corporation arising under this Agreement or the laws of the state of organization of the Corporation shall, to the fullest extent permitted by law, be fully subordinate to any obligations of the Corporation arising under the Security Instrument or any other Loan Document, and shall, to the fullest extent permitted by law, only constitute a claim against the Corporation to the extent of, and shall be paid by the Corporation in monthly installments only from, the excess of net operating income for any month over all amounts then due under the Security Instrument and the other Loan Documents.

6.2.6 Violations of Law. Notwithstanding any provision to the contrary contained in these Articles of Incorporation, the Corporation shall not be required to make a distribution to Shareholder's on account of its ownership of shares in the Corporation if such distribution would not be a lawful distribution as that term is defined in the Oregon Business Corporation Act.

### **6.3 Management by Directors and Officers.**

6.3.1 The Directors shall be solely responsible for the management of the Corporation except to the extent that the Directors delegate management duties to the President and other Officers.

6.3.2 By affirmative vote of a majority of the Directors, the Directors shall make all major decisions for the Corporation (subject to delegating various actions in carrying out such decisions on behalf of the Corporation), which shall include the following:

(a) entering into, making, and performing contracts and agreements binding the Corporation that may be necessary, appropriate, or advisable in furtherance of the purposes of the Corporation and making all decisions and waivers thereunder;

(b) opening and maintaining bank and investment accounts and arrangements, drawing checks and other orders for the payment of money, and designating individuals with authority to sign or give instructions with respect to those accounts

(c) collecting and suing for sums due to the Corporation and engaging attorneys to represent the Corporation in such actions;

(d) paying debts and obligations of the Corporation;

(e) acquiring, leasing or otherwise utilizing, and disposing of, any property or asset;

(f) borrowing money or otherwise committing the credit of the Corporation, and providing security therefor, and voluntary prepayments or extension of debt;

(g) appointing and removing officers of the Corporation;

(h) entering into any transaction between the Corporation and the Shareholders or any of the affiliates of the Shareholders; and

(i) determining distributions of Corporation cash and other property, subject to the Act.

## **7. SHAREHOLDER ACTION WITHOUT A MEETING**

Any action required or which may be taken at a meeting of the Shareholders of the Corporation may be taken without a meeting or vote if, pursuant to the Bylaws, either: (i) the action is taken with the prior written consent of all the Shareholders entitled to vote; or (ii) the action is taken with the written consent of the Shareholders holding of record, or otherwise entitled to vote in the aggregate, not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares

entitled to vote on the action were present and voted. The action taken under this Article must be evidenced by one or more written consents describing the action taken, signed by all the Shareholders entitled to vote on the action, or by those Shareholders taking action under subsection (ii) of this Article, and delivered to the Corporation for inclusion in the minutes or filing with the corporate records. Action taken under subsection (i) of this Article is effective when the last Shareholder signs the consent, unless the consent specifies an earlier or later effective date. Action taken under subsection (ii) of this Article is effective when the consent or consents bearing sufficient signatures are delivered to the Corporation, unless the consent or consents specify an earlier or later effective date.

**8. NO PRE-EMPTIVE RIGHTS**

No Shareholder shall have the preferential or preemptive right to subscribe for or to purchase any shares of any class, any rights, warrants or options with respect thereto, or any obligation convertible into or exchangeable for any such shares or other securities whether out of unissued shares or other securities or out of shares or other securities acquired by the Corporation after the issue thereof, regardless of the consideration therefor.

**9. INFORMATION RELATING TO DIRECTORS**

**9.1 Initial Board of Directors.** The initial Board of Directors shall consist of at least one Director, who need not be a resident of the State of Oregon or Shareholder of the Corporation.

**9.2 Names and Addresses.** The names and addresses of the persons who are to serve as Director until the first annual meeting of Shareholders and until his or her successors shall have been elected and qualified, follows:

Name	Address
Bakulesh G. Patel	8840 SW Holly Lane, Ste 200 Wilsonville, Oregon 97070

**10. DATA RESPECTING INCORPORATOR**

The name and address of the incorporator of the Corporation, a natural person, is Nancy Kyker, Sr. Paralegal, O'Donnell Law Firm LLC, Fremont Place II, Suite 302, 1650 NW Naito Parkway, Portland, Oregon 97209.

## 11. PROVISIONS FOR REGULATION OF INTERNAL AFFAIRS OF THE CORPORATION

11.1 **Bylaws.** The Bylaws should be adopted by the Board of Directors. The power to alter, amend, or repeal the Bylaws or to adopt new Bylaws shall be vested in the Board of Directors. The Bylaws may contain any provisions for the regulation and management of the affairs of the Corporation not inconsistent with the Act or these Articles of Incorporation.

11.2 **Transactions in Which Directors Have an Interest.** Any contract or other transaction between the Corporation and one or more of its Directors, or between the Corporation and any firm of which one or more of its Directors are members or employees, or in which they are interested, or between the Corporation and any corporation or association of which one or more of its Directors are Shareholders, members, directors, officers, or employees, or in which they are interested, shall be valid for all purposes, notwithstanding the presence of the Director or Directors at the meeting of the Board of Directors of the Corporation that acts upon, or in reference to, the contract or transaction, and notwithstanding his or their participation in the action, if the fact of such interest shall be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless, authorize or ratify the contract or transaction, the interested Director or Directors to be counted in determining whether a quorum is present and to be entitled to vote on such authorization or ratification. This section shall not be construed to invalidate any contract or other transaction that would otherwise be valid under the common and statutory law applicable to it.

11.3 **Indemnification.** "Director" and "Officer" have that meaning given to it by the Oregon Business Corporation Act. The rights to indemnification are as follows:

11.3.1 **Right to Indemnification.** Each person who was or is made a party to, or is threatened to be made a party to, or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative ("proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a Director or Officer of the Corporation or is or was serving at the request of the Corporation as a Director, Officer, employee, or agent of another corporation or of a partnership, limited liability company, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a Director, Officer, employee or agent, or in any other capacity while serving as a Director, Officer, employee or agent, shall be indemnified, defended and held harmless by the Corporation to the fullest extent authorized by the Oregon Business Corporation Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said Act

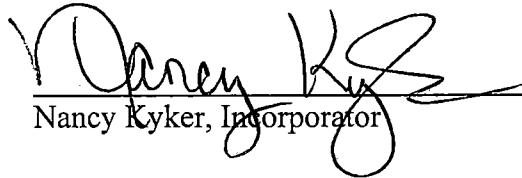
permitted the Corporation to provide prior to such amendment), against all expenses, liability, and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection with a proceeding.

- 11.3.2 Right of Claimant to Bring Suit. If a claim under Paragraph (1) is not paid in full by the Corporation within 90 days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Oregon Business Corporation Act for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. An actual determination by the Corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant had not met such applicable standard of conduct, or the failure of the Corporation, prior to the commencement of such action, to have made a determination of whether he or she has or has not met the applicable standard of conduct set forth in the Oregon Business Corporation Act, shall not be a defense to the action or create a presumption that claimant had not met the applicable standard of conduct.
- 11.3.3 Non-exclusivity of Rights. The rights conferred on any person by Paragraphs (1) and (2) shall not be exclusive of any other right which such person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, bylaw, agreement, vote of Shareholders or disinterested Directors or otherwise.
- 11.3.4 Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any such Director, Officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability, or loss under the Oregon Business Corporation Act.

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**11.4 Limitation of Director's Liability.** Each person who is or was a Director of this Corporation shall not be liable to or otherwise financially responsible for monetary damages, costs or expenses to the Corporation or its Shareholders for conduct as a Director except for that conduct as a Director as defined by the Oregon Business Corporation Act to which this exculpation from liability is prohibited. This exculpation from liability shall be interpreted and applied in favor of the exclusion from liability of the Director to the fullest extent authorized by the Oregon Business Corporation Act, as the same exists or may hereafter be amended.

I, the undersigned incorporator, declare under penalties of perjury that I have examined the foregoing and, to the best of my knowledge and belief, it is true, correct and complete.

  
\_\_\_\_\_  
Nancy Kyker, Incorporator

**Person to contact about this filing:**

Nancy Kyker, Sr. Paralegal  
O'Donnell Law Firm LLC  
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