

State of Idaho

Department of State

CERTIFICATE OF AMENDMENT OF

SMILEY CREEK WATER USERS ASSOCIATION, INC.

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Amendment to the Articles of Incorporation of SMILEY CREEK WATER USERS ASSOCIATION, INC. duly signed and verified pursuant to the provisions of the Idaho Nonprofit 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 Amendment to the Articles of Incorporation and attach hereto a duplicate original of the Articles of Amendment.

Dated: August 24, 1992



Pete T. Cenarrusa
SECRETARY OF STATE

By *Sheryl Decker*

AUG 24 8 43 AM '92

RESTATED
ARTICLES OF INCORPORATION
OF
SMILEY CREEK WATER USERS ASSOCIATION, INC.

SECRETARY OF STATE
STATE OF IDAHO

We, the undersigned, full-aged citizens of the United States and all residents of the County of Blaine, State of Idaho, do hereby voluntarily associate ourselves together for the purpose of forming a mutual non-profit water users association under the provisions of Chapter 3, Title 30, Idaho Code, and the amendments thereto.

We the undersigned swear that a quorum of shareholders were present at the shareholder's meeting on August 17, 1991, on which date these Restated Articles of Incorporation were adopted, including the amendments to the original Articles of Incorporation, which are stated herein.

The amendments set forth are as follows:

Article II (c) deleted the work "sell";

Article III changed the place of business to "Sawtooth City, Idaho, mail address HC-64, P. O. Box 9108, Ketchum, Idaho, 83340";

Article VI Section 2 deleted the words "can make delivery of water" and substituted "is connected to the user's water system for delivery of water". Additionally, added the work "contemplated";

Article VI Section 4 deleted the word "primarily" in the first sentence. Completely deleted the second sentence;

Article VI Section 5 deleted the words "subscribe to

and purchase" and add these words at the end of the sentence:
"and Section 3 of this Article";

Article VI Section 6 deleted these words: "not",
"except" and "approved by the Board of Directors";

Article VI Section 7 deleted the words "voting rights
in this corporation shall be unequal and" with the section
starting with "Each". Add to the sentence: "... or as provided
otherwise in the Bylaws".

These Restated Articles of Incorporation set forth all
of the operative provisions of the Articles of Incorporation as
theretofore amended, and set forth without change the
corresponding provisions of the Articles of Incorporation as
theretofore amended, and these Restated Articles of
Incorporation supercede the original articles and amendments
thereto.

ARTICLE I.

The name of this corporation shall be SMILEY CREEK
WATER USERS ASSOCIATION, INC.

ARTICLE II.

The nature of the business of the corporation and the
objects and purposes for which, or for any of which, this
association is formed are:

- (a) To associate its stockholders together for their
mutual benefit, and to that end to construct,
maintain, and operate a private water system for
the distribution of water for domestic purposes to
its shareholders; to engage in any activity related
thereto, including, but not limited to, the
acquisition of water by appropriation, drilling,
pumping or purchase; to buy, sell, hold, own,

acquire, control, operate and maintain a distribution system; to purchase, install, operate, and maintain all equipment necessary to the construction, maintenance and operation of said water distribution system.

- (b) To borrow from any source, money, goods or services without limitation as to amount of corporate indebtedness or liability; and to pledge or mortgage any of its property as security therefor in any manner permitted by law.
- (c) To acquire, and to hold, own and exercise all the rights of ownership in and to, issue, transfer or pledge shares of capital stock or bonds.
- (d) To buy, lease, hold and exercise all privileges of ownership in and to the real or personal property as may be necessary, convenient or incidental in the conduct and operation of the business of the corporation.
- (e) To establish reserves and to invest the funds thereof in insured savings accounts insured by an agency of the United States of America or in bills, notes or other securities issued by the United States of America.
- (f) To levy assessments in such manner and in such amounts as may be provided by the By-Laws of this corporation. Said assessments, as provided in the By-Laws, shall become a lien on the real property of the members of this association to whom such rights are appurtenant.
- (g) To have and exercise all powers, privileges and rights conferred on corporations by the laws of the State of Idaho and all powers and rights incidental in carrying out the purposes for which this corporation is formed.
- (h) The foregoing shall be construed both as objects and powers and the enumeration thereof shall not be held to limit or restrict in any manner the general powers conferred on this corporation by the laws of the State of Idaho, all of which are hereby expressly claimed.

ARTICLE III.

The principal place of business of the corporation

shall be Sawtooth City, Idaho, mailing address HC-64, P. O. Box 9108, Ketchum, Idaho, 83340, but the corporation may maintain offices and places of business at such other places within the State of Idaho as the Board of Directors may determine.

ARTICLE IV.

The period of existence of this corporation shall be perpetual.

ARTICLE V.

The private property of the shareholders of this corporation shall not be subject to payment of corporation debts to any extent whatsoever other than provided in Article II(f) above.

ARTICLE VI.

Section 1. That this corporation shall have one class of capital stock which shall be assessable and have no par value.

Section 2. Under the terms and conditions prescribed in the By-Laws, this corporation shall admit as stockholders only such persons, groups of person, organizations or corporations who own property in the immediate vicinity of the water system and to which property the corporation is connected to the user's water system for delivery of water for domestic purposes.

Section 3. The authorized capital stock of this corporation shall be One Hundred (100) shares, which said stock shall be issued on the basis of one (1) share of stock for every lot or parcel of land to which water is to be delivered by the

distribution system of this corporation.

Section 4. The corporation will hold all water rights acquired in Trust, and operate the system for the distribution of water for the benefit of the stockholders.

Section 5. Persons who meet the provisions of Section 2 of this Article shall be entitled to shares of stock of the corporation as provided in the corporation's By-Laws, and Section 3 of this Article.

Section 6. The shares of capital stock of this corporation shall be transferable when said transfer is under such criteria as the By-Laws may prescribe.

Section 7. Each shareholder of this corporation shall be entitled to one vote for every share of stock held by said shareholder, or as provided otherwise in the By-Laws.

Section 8. This corporation is organized on a non-profit basis for the mutual benefit of its shareholders and consequently will not have profits from which to pay dividends on its capital stock. After all expenses of the corporation have been paid and reasonable reserves have been set aside as determined by the Board of Directors, any earnings of this corporation shall be accumulated in a surplus fund for the purpose of replacing, enlarging, extending and repairing the system and property of the corporation, and for such other purposes as the Board of Directors may determine to be for the best interest of the corporation. No distribution of any surplus funds shall be made to the shareholders of this

corporation except on final dissolution of the corporation.

ARTICLE VII.

These articles may be amended in any manner permitted or authorized by law by a favorable vote of a majority of the stockholders present or represented by proxy at a meeting of the shareholders duly called on notice of the specific purpose thereof and containing a statement of the proposed amendment.

RESTATED
ARTICLES OF INCORPORATION OF
SMILEY CREEK WATER USERS ASSOCIATION

<u>Name of Incorporator</u>	<u>Address</u>
Robert S. Sibley - President	Sawtooth City, Idaho
Robert Coiner - Director	Sawtooth City, Idaho
Roger Doerr - Vice President	Sawtooth City, Idaho
Burton Sanders - Secretary/Treasurer	Sawtooth City, Idaho

IN WITNESS WHEREOF, we the Board of Directors, reinstate the Articles of Incorporation by a resolution adopted by the Board and by majority vote of the shareholders to the amendments contained herein. We hereby swear these restated Articles of Incorporation correctly set forth without change the corresponding provisions of the Articles of Incorporation as amended and these restated Articles of Incorporation supercede the original Articles of Incorporation and all amendments thereto.



President - Robert S. Sibley



Secretary - Burton Sanders

STATE OF IDAHO)
County of Jerome) ss.

I, Ranee Marsing, a notary public, do hereby certify that on this 7th day of Aug., 1992, personally appeared before me Robert S. Sibley, who, being by me first duly sworn, declared that he is the President of Smiley Creek Water Users Association Inc., that he signed the foregoing document as President of the corporation, and that the statements therein contained are true.

Ranee Marsing
Notary Public for Idaho
Residing at: Jerome, Id
Commission expires: 11-24-94

STATE OF IDAHO)
County of Jerome) ss.

I, Ranee Marsing, a notary public, do hereby certify that on this 7th day of Aug., 1992, personally appeared before me Burton Sanders who, being by me first duly sworn, declared that he is the Secretary/Treasurer of Smiley Creek Water Users Association Inc., that he signed the foregoing document as Secretary/Treasurer of the corporation, and that the statements therein contained are true.

Ranee Marsing
Notary Public for Idaho
Residing at: Jerome, Id
Commission expires: 11-24-94