

ENTRY NO 133167 DATE 8-15-84 TIME 3:50 FEE 15.50
RECORDED FOR JAMES CREWLEY BOOK 165 PAGE 497-521
RECORDER JOE DEAN HUBER BY SUSAN DAM
Wasatch County, State of Utah

AFFIDAVIT AND NOTICE OF INTEREST

1 STATE OF UTAH)
2) ss.
3 COUNTY OF UTAH)

4 John H. Gardner hereby declares under oath that the following
5 is true and correct:

6 1. He is an officer of the Canyon Meadows Mutual Water
7 Company, a Utah, non-profit organization.

8 2. The Articles of Incorporation and By-laws of Canyon
9 Meadows Mutual Water Company are attached herewith and made a part
10 hereof.

11 3. The Articles of Incorporation and By-laws of Canyon
12 Meadows Mutual Water Company provide that all water shares issued
13 to purchasers of lots in Canyon Meadows Subdivision Plats "A" and
14 "B" and purchasers of units in the Glades at Canyon Meadows Condo-
15 miniums are appurtenant to the shareholders' real property and
16 further provide that the shares of purchasers of lots shall not be
17 transferred separately from the real property to which the shares
18 are appurtenant and any attempt by said purchasers to transfer a
19 share or shares in the company without also transferring the real
20 property to which the share is appurtenant, shall be null and void.

21 4. The Articles of Incorporation and By-laws of Canyon
22 Meadows Mutual Water Company pertain to and affect all interests in
23 the following described real property:

24 Canyon Meadows Subdivision, Plat "A", all lots.

Canyon Meadows subdivision, Plat "B", all lots.

PAGE () INDEX () ABSTRACT () FLAT () CHECK ()

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

The Glades at Canyon Meadows Condominiums, all units.

DATED this 15TH day of Aug, 1984.

John H. Gardner
JOHN H. GARDNER

On this 15TH day of August, 1984, personally appeared before me John H. Gardner, the signer of the within instrument, who duly acknowledged to me that he executed the same.

Lynne P. Gottfredson
NOTARY PUBLIC
Residing At:
PROVO, UTAH

My Commission Expires:
8-1-88

HOWARD, LEWIS & PATTERSON
ATTORNEYS AND COUNSELORS AT LAW
120 EAST 300 NORTH STREET
P. O. BOX 778
PROVO, UTAH 84603
TELEPHONE: 373-6345

BY-LAWS OF
CANYON MEADOWS MUTUAL WATER COMPANY
A Non-Profit Corporation

ARTICLE I

Offices

The principal office of the corporation in the State of Utah shall be located at Canyon Meadows, Provo Canyon, Wasatch County, Utah. The corporation may have such other offices, either within or without the State of Utah, as the Governing Board may determine or as the affairs of the corporation may require from time to time.

The corporation shall have and continuously maintain in the State of Utah a registered office, and a registered agent whose office is identical with such registered office, as required by the Utah Non-Profit Corporation and Cooperative Association Act. The registered office may be, but need not be, identical with the principal office in the State of Utah, and the address of the registered office may be changed from time to time by the Governing Board.

ARTICLE II

Members

Section 1. Classes of Members. The corporation shall have one class of members who shall be shareholders. The qualifications and rights of the members shall be as follows:

- a. All members must be owners or purchasers of real

property in the service area of the corporation, which includes but is not limited to Canyon Meadows Subdivision (all plats) and Glades Condominiums.

b. Each member shall be entitled to one share in the corporation for each separate lot or condominium owned by said member.

Section 2. Election of Members. Members shall be elected by the Governing Board. An affirmative vote of two-thirds of the Trustees shall be required for election.

Section 3. Voting Rights. Each member shall be entitled to one vote for each share owned on each matter submitted to a vote of the members.

Section 4. Termination of Membership. The Governing Board, by affirmative vote of two-thirds of all of the members of the Board, may suspend or expel a member for cause after an appropriate hearing, and may, by a majority vote of those present at any regularly constituted meeting, terminate the membership of any member who becomes ineligible for membership, or suspend or expel any member who shall be in default in the payment of dues for the period fixed in Article XI of these By-laws.

Section 5. Resignation. Any member may resign by filing a written resignation with the secretary, but such resignation shall not relieve the member so resigning of the obligation to pay any dues, assessments or other charges theretofore accrued and unpaid.

Section 6. Reinstatement. Upon written request signed by a former member and filed with the secretary, the Governing Board may,

by the affirmative vote of two-thirds of the members of the Board, reinstate such former member to membership upon such terms as the Governing Board may deem appropriate.

Section 7. Transfer of Membership. Membership in this corporation is not transferable or assignable separate from the real property to which the water rights received are appurtenant except as follows:

a. No member or stockholder shall have right or power to sell or transfer, pledge or encumber any stock of the company separate from the property to which it is appurtenant without prior written approval of the Governing Board of the corporation, which approval shall not be unreasonably withheld.

b. Any deed, lease, mortgage, deed of trust, or other instrument conveying or encumbering any real property to which the water owned by the corporation is appurtenant shall include a reference in the description of said property to the water appurtenant thereto. Whether or not the description employed in any such instrument includes such a reference, however, all provisions of these By-laws shall be binding upon and shall inure to the benefit of any party who acquires any interest in the said real property. Neither the percentage of undivided ownership interest in the water nor the right of exclusive use of the water shall be separated from the real property to which they appertain; and, even though not specifically mentioned in the instrument of transfer, such percentage of undivided ownership interest, and such right of exclusive use shall automatically accompany the transfer of the real property to which they relate.

ARTICLE III

Meetings of Members

Section 1. Annual Meeting. An annual meeting of the members shall be held on the third Wednesday in the month of June in each year, beginning with the year 1984 at the hour of 7:00 o'clock p.m., for the purpose of electing Trustees and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Utah, such meeting shall be held on the next succeeding business day. If the election of Trustees shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Governing Board shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be. If an annual meeting is not held within three months after the time provided in the Articles of Incorporation or By-laws, an annual meeting may be called by any ten members having voting rights or by members having the right to cast ten percent of the votes entitled to be cast at such meeting, whichever is greater.

Section 2. Special Meetings. Special meetings of the members may be called by the President, the Governing Board, or not less than one-third of the members having voting rights.

Section 3. Place of Meeting. The Governing Board may designate any place, either within or without the State of Utah as the place of meeting for any annual meeting or for any special meeting called by the Governing Board. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be

the principal office of the corporation in the State of Utah; but if all of the members shall meet at any time and place, either within or without the State of Utah, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section 4. Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these By-laws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid.

Section 5. Informal Action by Members. Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

Section 6. Quorum. The members holding one-half of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of

members, a majority of the members present may adjourn the meeting from time to time without further notice.

Section 7. Proxies. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact.

Section 8. Voting by Mail. Where Trustees or officers are to be elected by members or any class or classes of members, such election may be conducted by mail in such manner as the Governing Board shall determine.

ARTICLE IV

Governing Board

Section 1. General Powers. The affairs of the corporation shall be managed by its Governing Board. Trustees need not be residents of the State of Utah or members of the corporation.

Section 2. Number, Tenure and Qualifications. The number of Trustees shall be not less than three and not more than seven. Each Trustee shall hold office until the next annual meeting of members and until his successor shall have been elected and qualified.

Section 3. Regular Meetings. A regular annual meeting of the Governing Board shall be held without other notice than this By-law, immediately after, and at the same place as, the annual meeting of members. The Governing Board may provide by resolution the time and place, either within or without the State of Utah, for the holding of additional regular meetings of the Board without other notice than such resolution.

Section 4. Special Meetings. Special meetings of the Governing Board may be called by or at the request of the President or any two Trustees. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Utah as the place for holding any special meeting of the Board called by them.

Section 5. Notice. Notice of any special meeting of the Governing Board shall be given at least two days previously thereto by written notice delivered personally or sent by mail or telegram to each Trustee at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Trustee may waive notice of any meeting. The attendance of a Trustee at any meeting shall constitute a waiver of notice of such meeting, except where a Trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-laws.

Section 6. Quorum. A majority of the Governing Board shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Trustees are

506

present at said meeting, a majority of the Trustees present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting. The act of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Governing Board, unless the act of a greater number is required by law or by these By-laws.

Section 8. Vacancies. Any vacancy occurring in the Governing Board and any trusteeship to be filled by reason of an increase in the number of Trustees, shall be filled by the Governing Board. A Trustee elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9. Compensation. Trustees as such shall not receive any stated salaries for their services, but by resolution of the Governing Board a fixed sum of expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; but nothing herein contained shall be construed to preclude any Trustee from serving the corporation in any other capacity and receiving compensation therefor.

Section 10. Informal Action by Trustees. Any action required by law to be taken at a meeting of Trustees, or any action which may be taken at a meeting of Trustees, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Trustees.

ARTICLE V

Officers

Section 1. Officers. The officers of the corporation shall be a President, one or more Vice-Presidents (the number thereof

to be determined by the Governing Board), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of this Article. The Governing Board may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Governing Board. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election and Term of Office. The officers of the corporation shall be elected annually by the Governing Board at the regular annual meeting of the Governing Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Governing Board. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3. Removal. Any officer elected or appointed by the Governing Board may be removed by the Governing Board whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Governing Board for the unexpired portion of the term.

Section 5. President. The president shall be the principal

508

executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the members and of the Governing Board. He may sign, with the Secretary or any other proper officer of the corporation authorized by the Governing Board, any deeds, mortgages, bonds, contracts, or other instruments which the Governing Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Governing Board or by these By-laws or by statute to some other officer or agent of the corporation; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Governing Board from time to time.

Section 6. Vice-President In the absence of the President or in event of his inability or refusal to act, the Vice-President (or in the event there be more than one Vice-President, the Vice-Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice-President shall perform such other duties as from time to time may be assigned to him by the President or by the Governing Board.

Section 7. Treasurer. If required by the Governing Board, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Governing Board shall determine. He shall have charge and custody

of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these By-laws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Governing Board.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Governing Board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-laws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these By-laws; keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Governing Board.

Section 9. Assistant Treasurers and Assistant Secretaries. If required by the Governing Board, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Governing Board shall determine.

The assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Governing Board.

ARTICLE VI

Committees

Section 1. Committees of Trustees. The Governing Board, by resolution adopted by a majority of the Trustees in office, may designate and appoint one or more committees, each of which shall consist of two or more Trustees, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Governing Board in the management of the corporation; provided, however, that no such committee shall have the authority of the Governing Board in reference to amending, altering or repealing the By-laws; electing, appointing or removing any member of any such committee or any Trustee or officer of the corporation; amending the Articles of Incorporation; adopting a plan of merger or consolidation with another corporation; authorizing the sale, lease, exchange, mortgage or pledge of all or substantially all of the property or the assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation on dissolution; or amending, altering or repealing any resolution of the Governing Board. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Governing Board, or any individual Trustee, of any responsibility imposed upon it or him

by law.

Section 2. Other Committees. Other committees not having and exercising the authority of the Governing Board in the management of the corporation may be designated by a resolution adopted by a majority of the Trustees present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the corporation, and the President of the corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

Section 3. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 4. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 6. Quorum. Unless otherwise provided in the resolution of the Governing Board designating a committee, a majority of the whole committee shall constitute a quorum and the

512

act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules. Each committee may adopt rules for its own government not inconsistent with these By-laws or with rules adopted by the Governing Board.

ARTICLE VII

Contracts, Checks, Deposits and Funds

Section 1. Contracts. The Governing Board may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these By-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc.. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Governing Board. In the absence of such determination by the Governing Board, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice-President of the corporation.

Section 3. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositaries as the Governing Board may select.

Section 4. Gifts. The Governing Board may accept on behalf

of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

ARTICLE VIII

Certificates of Membership

Section 1. Certificates of Membership. The Governing Board may provide for the issuance of share certificates evidencing membership in the corporation, which shall be in such form as may be determined by the Board and which shall contain the following language:

The holder hereof is subject to all of the By-laws, Rules and Regulations adopted by the corporation. This certifies that _____ is the registered holder of _____ share(s) entitling the holder to a pro rata share of water rights of the corporation, which rights are appurtenant to and transferable only with the lot herein designated.

Such certificates shall be signed by the President or a Vice-President and by the Secretary or an Assistant Secretary and shall be sealed with the seal of the corporation. All certificates evidencing membership of any class shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the corporation. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Governing Board may determine.

Section 2. Issuance of Certificates. When a member has been elected to membership and has paid any initiation fee and dues that may then be required, a certificate of membership shall be issued in his name and delivered to him by the Secretary, if the Governing

Board shall have provided for the issuance of certificates of membership under the provisions of Section 1 of this Article VIII.

Section 3. Limitation on Number of Certificates. The corporation shall issue a maximum of one hundred sixty-five (165) share certificates unless additional water rights are acquired. Upon acquisition of additional water, these By-laws may be amended, as provided for herein, to authorize the issuance of additional share certificates.

Section 4. Fractional Shares. No fractional shares may be issued by the corporation except upon majority vote of the Governing Board. No member may create fractional shares by division of shares owned.

ARTICLE IX

Books and Records

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Governing Board and committees having any of the authority of the Governing Board, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

ARTICLE X

Fiscal Year

The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE XI

Dues

Section 1. Annual Dues. The Governing Board may determine from time to time the amount of initiation fee, if any, and annual dues payable to the corporation by members of each class.

Section 2. Payment of Dues. Dues shall be payable in advance on the first day of March in each fiscal year. Dues of a new member shall be prorated from the first day of the month in which such new member is elected to membership, for the remainder of the fiscal year of the corporation.

Section 3. Default and Termination of Membership. When any member of any class shall be in default in the payment of dues for a period of six (6) months from the beginning of the fiscal year or period for which such dues became payable, his membership may thereupon be terminated by the Governing Board in the manner provided in Article III of these By-laws.

ARTICLE XII

Seal

The Governing Board shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal."

ARTICLE XIII

Waiver of Notice

Whenever any notice is required to be given under the provisions of the Utah Non-Profit Corporation and Cooperative Association Act or under the provisions of the Articles of Incorporation or the By-laws of the corporation, a waiver thereof in writing

signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

ARTICLE XIV

Amendments to By-laws

These By-laws may be altered, amended or repealed and new By-laws may be adopted by a majority of the Trustees present at any regular meeting or at any special meeting, if at least two days written notice is given of intention to alter, amend or repeal or to adopt new By-laws at such meeting.

SECRETARY'S CERTIFICATE

I, the undersigned and duly elected secretary of Canyon Meadows Mutual Water Company, A Non-Profit Corporation, do hereby certify that the foregoing By-laws were adopted as the By-laws of the corporation on the 8th day of November, 1983, and that the same do now constitute the By-laws of the corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the corporation this 8th day of November, 1983.

Elizabeth T. Allen
SECRETARY

of the Lt. Gov/Sec of the
on the 28th
June 1983
Filing Charge \$5.00

1983 JUN 26 AM 9:23

104448

ARTICLES OF INCORPORATION

OF

CANYON MEADOWS MUTUAL WATER COMPANY

A NON-PROFIT CORPORATION

KNOW ALL MEN BY THESE PRESENTS, that the undersigned form a non-profit corporation under the Laws of the State of Utah, as follows:

ARTICLE I

The name of the corporation is CANYON MEADOWS MUTUAL WATER COMPANY.

ARTICLE II

The place where this corporation is organized and where its general business shall be conducted is Canyon Meadows, Provo Canyon, Utah.

ARTICLE III

The period of duration of this corporation shall be perpetual.

ARTICLE IV

This corporation is organized for the purpose of acquiring, storing, treating, and distributing water. The corporation is authorized to obtain water and water rights by acquisition, appropriation, exchange, condemnation or any other means.

For carrying out the purposes set forth the corporation shall have the power to:

1. Acquire, construct, operate, maintain and reconstruct water storage, control, and distribution facilities and do any and all other things necessary or incident to the carrying out of the objectives herein set forth.
2. Incur indebtedness, issue bonds, contract with any governmental agency, the Utah Board of Water Resources or other public agencies for the purchase, acquisition, or

lease of water, water rights, lands, easements, dams, reservoirs, canals, and other property incidental to the business of the corporation; also to contract with any governmental agency, Utah Board of Water Resources, or other public agencies for the construction of all such works and to do all other acts and things necessary to carry on the pursuit and business agreed upon; also to mortgage, pledge or otherwise encumber its property, real or personal, to secure the payment of its debts or obligations, and to acquire, own, sell, or otherwise dispose of or exchange its own stock or stock of other corporations.

3. This is a non-profit corporation.

ARTICLE V

The corporation shall have members who shall be shareholders. The stock of this corporation shall consist of 1000 shares without nominal or par value. The stock shall represent a share of property rights and an interest in water rights as specified on the respective share certificate, which water rights and share certificate shall be appurtenant to the real property described in such certificate.

ARTICLE VI

Revenue for the accomplishment of the purposes of this corporation shall be raised by:

1. Income generated from the storage, carriage, sale, rental, or other delivery of water.

2. Assessments against the shares of stock of the corporation as may from time to time be necessary as determined by the Board of Directors to meet:

(a) The cost of purchasing, constructing, improving, enlarging, bettering, repairing, operating, and maintaining of the works of the corporation, or of those managed, controlled, operated by it;

(b) Payments due the United States, State of Utah, Utah Board of Water Resources, or other public agencies or private lending institutions which are assumed or guaranteed by the corporation;

(c) Deficiencies caused by the failure of some of the stockholders of the corporation to pay assessments upon their shares of stock;

ARTICLE VII

There shall be three directors, each of whom shall be a stockholder in this corporation. Each director shall hold office for one year and until his successor is duly qualified. Vacancies occurring in the Board, by death, resignation or otherwise, shall be filled by appointments by the Board of Directors. Each appointee shall hold office until the next regular election. The number of directors may be changed by an amendment to the By-Laws of the corporation, except that such an amendment may not be adopted to reduce the number of directors other than at a meeting of shareholders called for such purpose.

ARTICLE VIII

The name and address of the incorporator is John R. Hansen Jr., 1510 Warm Springs, Boise, Idaho 83702. The names and addresses of the persons who are to serve as the initial board of directors are as follows:

Name	Address
John H. Gardner	1140 Aspen Provo, UT 84601
Elizabeth T. Allen	2080 North Oak Lane Provo, UT 84064
Willard H Gardner	1495 Oak Lane Provo, UT 84601

ARTICLE IX

The registered agent of the corporation shall be Willard H. Gardner, 1495 Oak Lane, Provo, Utah 84601. The location of the corporation's initial principal office shall be 1495 Oak Lane, Provo, Utah. The location of such office may be changed by the Board of Directors without amending the Articles of Incorporation.

ARTICLE X

The first annual meeting of the corporation shall be held on the first Monday of February, 1984, and annual meetings thereafter shall be held on the first Monday of February at the office of the corporation in Provo, Utah County, State of Utah, or at such other place as the directors shall designate. Special meetings of the stockholders may be held at such time and place as the directors shall designate. The Secretary shall give notice of each annual meeting of the stockholders or of any special meeting of the

stockholders which may be called by the Board of Directors not less than ten (10) days prior to the date of such meeting. Such notice shall be written and addressed to the last recorded address of each stockholder, and shall be complete when such notice is deposited in the post office, properly addressed and stamped.

ARTICLE XII

In the event of dissolution of the company, each stockholder shall receive his proportionate share of the company's property and assets based upon patronage insofar as is practicable after paying or providing for payment of all debts of the company.

ARTICLE XIII

The private property of the stockholders of this corporation shall not be liable for the obligations of the corporation.

ARTICLE XIV

The board of directors shall prepare an annual budget covering the estimated cost of operations, maintenance, construction work, payments due and any other expense or cost for the ensuing year including any anticipated funds to be raised by assessment which assessment shall be made equitably but not necessarily equally, as the Board of Directors shall in their sole discretion determine. Such assessment shall be made and paid on the date and in the manner provided by the Board of Directors. Notices of such assessments shall be made in the manner provided in the By-Laws of the corporation.

Each subscriber to a share of stock in this corporation shall give such assurances, liens, or mortgages, and enter into such contracts to secure payment of corporate assessments as may from time to time be required by the Board of Directors.

If any stockholder shall fail to pay such assessment or assessments or assessments as may be made against his stock within the time set by the Board of Directors, the Board of Directors may proceed to foreclose any lien or mortgage upon the property of the stockholder given as security for the payment of such assessment or assessments; or it may refuse to deliver water to such shareholder; or it may take such other measures for the collection of such assessment or assessments as may be lawful; provided, that the election of one remedy shall not be exclusive and shall not preclude or hinder the exercise of any other remedy to enforce payment of assessments.

WITNESS THE HANDS OF THE PARTIES hereto this 27th day
of June, 1983.

[Signature]
JOHN R. HANSEN JR.

STATE OF IDAHO)
) ss.
COUNTY OF ADA)

On the 27th day of June, 1982, personally appeared before me John R. Hansen Jr. who, being by me duly sworn, declared that he is the person who signed the foregoing document as incorporator and that the statements therein contained are true.

[Signature]
Notary Public
Residing at Boise, Idaho
My Commission Expires 5-25-87