

FILED EFFECTIVE

**ARTICLES OF INCORPORATION
of**

2003 APR -3 PM 12: 53

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SECRETARY OF STATE
STATE OF IDAHO

SOUTHEAST IDAHO CANAL COMPANY

A Non-Profit Corporation

SECRETARY OF STATE
STATE OF IDAHO

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned citizens of the United States of America, of the age of twenty-one years or more, by these presents voluntarily associate ourselves together for the purpose of forming a non-profit corporation under the provisions of Chapter 3 of Title 30 of the Idaho Code, and we do hereby certify:

FIRST

The name of this corporation is SOUTHEAST IDAHO CANAL COMPANY.

SECOND

The purposes for which this corporation is formed are as follows:

(a) To include within one corporation (by merger) certain canal companies lying southeast of the Henry's Fork of the Snake River in Fremont and Madison Counties, Idaho, and all of their water rights, for efficiency in operation and maintenance, recognizing that all of said companies have historically been directly related and interconnected in the irrigation of the lands within their respective systems.

(b) To provide for a combined delivery of water to the stockholders of the said merging canal companies through one organization.

(b) To own, acquire, lease, hold, manage, control, operate and maintain water rights and water distribution systems in behalf of its shareholders; and to do all and every thing necessary, suitable and proper for the accomplishment of said purposes, either alone or in association with other corporations, partnerships, firms or individuals, including the right to own real and personal property, to borrow money and to hold and obtain franchises, water rights, water permits, water licenses, water decrees and water courses by any lawful means.

THIRD

The address of the initial registered office of the corporation is 350 N. 6th W., St. Anthony, Fremont County, Idaho 83445, and the name of its initial registered agent at such address is Dale L. Swensen.

FOURTH

That the term for which this corporation is to exist shall be perpetual, from and after the date of its incorporation, unless sooner dissolved or disincorporated, pursuant to law.

Articles of Incorporation of Southeast Idaho Canal Company - Page 1
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IDAHO SECRETARY OF STATE
04/04/2003 05:00
CK: 18959 CT: 84469 BH: 672069
30.00 = 30.00 INC NONP # 2
20.00 = 20.00 NON EXPIDI # 3

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FIFTH

The affairs of the corporation shall be conducted by a Board of Directors of not less than five (5) members, the exact number of which and the time and manner of their election, as well as their terms, shall, from time to time, be fixed by the Bylaws.

The initial Officers and Board of Directors shall consist of the following eleven (11) persons whose names and addresses are as follows:

<u>Name</u>	<u>Address</u>
Zane Bloom	2726 East 600 North St. Anthony, Idaho 83445 208-624-7020
Ace Daw	225 North 2600 East St. Anthony, Idaho 83445 208-458-4368
Brant Kerbs	240 North 2500 East St. Anthony, Idaho 83445 208-458-4151
Scott Wood	2372 North 8000 East Teton, Idaho 83451 208-458-4929
Adam Davis	2479 East 300 North St. Anthony, Idaho 83445 208-624-3633
Stephen Siddoway	2466 North 7000 East Teton, Idaho 83451 208-458-4001
Darris Schuldies	2498 East 400 North St. Anthony, Idaho 83445 208-624-7891
Brent Singleton	2347 East 300 North St. Anthony, Idaho 83445 208-351-7100
Dee Eldridge, President	298 North 2300 East St. Anthony, Idaho 83445 208-624-3515
Rodney Dalling, Vice-President	386 North 2400 East St. Anthony, Idaho 83445 208- 624-4112

Boyd Hollist

2085 East 600 North
St. Anthony, Idaho 83445
208-624-7766

SIXTH

That the amount of capital stock of this corporation shall be \$48,400.00, divided into 48,400 shares with a par value of \$1.00 each. All stock shall be common stock and when fully paid shall not be subject to call. Each share of stock shall be entitled to one vote. Said stock shall be divided into four (4) classes with each class representing a priority in the use of the water rights owned by the corporation, as follows: They shall have voting members.

<u>Class</u>	<u>No. of Shares</u>	<u>Water Priority Date</u>
A	23,000	June 1, 1889
B	7,500	June 1, 1892
C	12,000	February 5, 1902
D	5,900	January 22, 1916 & April 1, 1939
Total	48,400	

In times of water shortage, available water shall be delivered on a priority basis to the stockholders of a Class or Classes based on the water priority dates shown above.

The relative rights and number of shares of each class of stock shall not be changed or altered in any way without the consent of the stockholders owning all of the stock of the class or classes of stock effected. Otherwise, the details of water distribution and maintenance, as well as the acquisition, ownership, and disposal of said shares, shall be further defined by the By-Laws of the corporation.

The ownership of said stock shall be limited and shall be held and transferred as provided for in the By-Laws. No share shall have preemptive rights, and each stockholder may vote by written proxy pursuant to any limitations contained in the By-Laws. All stock shall be subject to assessment for use in paying all of the expenses of the corporation, including the expenses of maintenance and operation of the irrigation system. Each class of stock may be subject to a different assessment.

The total number of shares of this corporation which have actually been subscribed and paid for is the sum of 11 shares, and following are the names of the persons, their mailing addresses and the number of shares each has subscribed for, to-wit:

Class A Stock

<u>Name</u>	<u>Address</u>	<u>No. of Shares</u>
Zane Bloom	2726 East 600 North	1

	St. Anthony, Idaho 83445 208-624-7020	
Ace Daw	225 North 2600 East St. Anthony, Idaho 83445 208-458-4368	1
Brant Kerbs	240 North 2500 East St. Anthony, Idaho 83445 208-458-4151	1
Scott Wood	2372 North 8000 East Teton, Idaho 83451 208-458-4929	1
Adam Davis	2479 East 300 North St. Anthony, Idaho 83445 208-624-3633	1
Stephen Siddoway	2466 North 7000 East Teton, Idaho 83451 208-458-4001	1

Class B Stock

<u>Name</u>	<u>Address</u>	<u>No. of Shares</u>
Darris Schuldies	2498 East 400 North St. Anthony, Idaho 83445 208-624-7891	1
Brent Singleton	2347 East 300 North St. Anthony, Idaho 83445 208-351-7100	1

Class C Stock

<u>Name</u>	<u>Address</u>	<u>No. of Shares</u>
Dee Eldridge, President	298 North 2300 East St. Anthony, Idaho 83445 208-624-3515	1
Rodney Dalling	386 North 2400 East St. Anthony, Idaho 83445 208-624-4112	1
Boyd Hollist	2085 East 600 North St. Anthony, Idaho 83445	1

208-624-7766

Class D Stock

<u>Name</u>	<u>Address</u>	<u>No. of Shares</u>
No initial subscribers.		

SEVENTH

The names and addresses of the incorporators are:

<u>Names</u>	<u>Addresses</u>
Zane Bloom	2726 East 600 North St. Anthony, Idaho 83445 208-624-7020
Ace Daw	225 North 2600 East St. Anthony, Idaho 83445 208-458-4368
Brant Kerbs	240 North 2500 East St. Anthony, Idaho 83445 208-458-4151
Scott Wood	2372 North 8000 East Teton, Idaho 83451 208-458-4929
Adam Davis	2479 East 300 North St. Anthony, Idaho 83445 208-624-3633
Stephen Siddoway	2466 North 7000 East Teton, Idaho 83451 208-458-4001
Darris Schuldies	2498 East 400 North St. Anthony, Idaho 83445 208-624-7891
Brent Singleton	2347 East 300 North St. Anthony, Idaho 83445 208-351-7100
Dee Eldridge, President	298 North 2300 East St. Anthony, Idaho 83445 208-624-3515

Rodney Dalling, Vice-President

386 North 2400 East
St. Anthony, Idaho 83445
208- 624-4112

Boyd Hollist

2085 East 600 North
St. Anthony, Idaho 83445
208-624-7766

EIGHTH

Section 1. This Corporation shall at all times be operated on a non-profit basis for the benefit of its stockholders. No interest or dividends shall be paid or payable to the stockholders by the Corporation.

Section 2. In the payment of assessments, which shall be uniform on each share of stock within each class, the business of the Corporation shall be so conducted that only sufficient funds shall be levied and collected from the stockholders as are necessary for the payment of its reasonable and necessary expenses in carrying out the purposes of the Corporation. Should an excess of funds be collected, the same shall, at the discretion of the board of directors of the Corporation be returned to the stockholders on a per share basis within each class of stock, or the Corporation shall reduce the amount of the next assessment on said stock, after taking into account any surplus of funds over the Corporation's reasonable needs for normal business purposes, retiring indebtedness, expansion, or maintaining reserves for necessary purposes. The books and records of the Corporation shall be set up and kept in such a manner that at the end of each fiscal year, a record of the amount of surplus funds collected by the Corporation by assessments shall be made.

All such amounts received by the Corporation from its operations in excess of costs and expenses shall, insofar as permitted by law, be used to offset any losses incurred during the current or any prior fiscal year.

Section 3. In the event of dissolution or liquidation of the Corporation, after all outstanding taxes and indebtedness of the Corporation shall have been paid, together with all costs of dissolution or liquidation, all gains from the sale of an appreciated asset, as well as all other assets, including funds of the Corporation, shall be distributed to the persons who are stockholders at the time of dissolution on a per share basis.

DATED This 31st day of March, 2003.

Jane Bloom
Jane Bloom

Ace Daw
Ace Daw

Brant Kerbs
Brant Kerbs

Scott Wood
Scott Wood

Adam Davis

Darris Schuldies

Dee Eldridge

Boyd Hollist

Stephen Siddoway

Brent Singleton

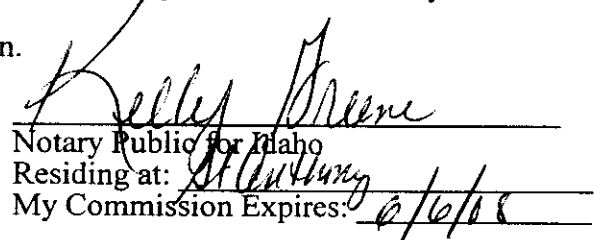
Rodney Darling

STATE OF IDAHO,

SS.

On this 31st day of March, 2003, before me, the undersigned, a notary Public in and

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal



Notary Public for Idaho

Residing at:

My Commission Expires: