

STATEMENT OF MERGER

FILED EFFECTIVE

2012 JAN 20 PM 2:19

This Statement of Merger is filed pursuant to Idaho Code Section 30-18-205.

SECRETARY OF STATE
STATE OF IDAHO

- (a) The name, jurisdiction of organization, and type of entity of each merging entity is as follows:

- (i) Preston Riverdale and Mink Creek Canal Company, an Idaho nonprofit corporation;
- (ii) Preston & Whitney Reservoir Company, an Idaho nonprofit corporation; and
- (iii) Preston-Whitney Irrigation Company, an Idaho nonprofit corporation

- (b) The name, jurisdiction of organization, and type of entity of the surviving entity is as follows:

Consolidated Irrigation Company, an Idaho nonprofit corporation

- (c) The merger will become effective upon filing of this Statement of Merger with the Idaho Secretary of State.
- (d) The merger has been approved by each merging entity in accordance with Title 30, Chapter 18, Part 2 of the Idaho Code.
- (e) The surviving entity is created pursuant to the merger. Its Articles of Incorporation are attached hereto as Exhibit "A".

Dated this 18 day of JANUARY, 2012.

PRESTON RIVERDALE AND MINK CREEK
CANAL COMPANYBy: 

Ray Bennett, President

PRESTON & WHITNEY RESERVOIR COMPANY

By: 

Jesse L. Johnson, President

IDAHO SECRETARY OF STATE

01/20/2012 05:00

CMT: 1000 ST: 12945 DH: 1307056

10 20.00 = 20.00 STMT MERGE # 2
10 20.00 = 20.00 EXPEDITE C # 3

C3692

PRESTON-WHITNEY IRRIGATION COMPANY

By: 
Lyle W. Porter, President

CONSOLIDATED IRRIGATION COMPANY

By: 
Ray Bennett, Incorporator

By: 
Jesse L. Johnson, Incorporator

By: 
Lyle W. Porter, Incorporator

EXHIBIT A

ARTICLES OF INCORPORATION

SEE ATTACHED

ARTICLES OF INCORPORATION OF CONSOLIDATED IRRIGATION COMPANY

FILED EFFECTIVE

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SECRETARY OF STATE
STATE OF IDAHO

ARTICLE I.

The name of the surviving Idaho nonprofit corporation created pursuant to the merger of Preston Riverdale and Mink Creek Canal Company, Preston & Whitney Reservoir Company, and Preston-Whitney Irrigation Company shall be the "CONSOLIDATED IRRIGATION COMPANY".

ARTICLE II.

This company shall have perpetual existence.

ARTICLE III.

There shall be authorized for issuance by the company 50,000 shares of Class A capital stock, without par value, which Class A stock shall represent the stock of the company without any debt from the former entities. In that regard, prior to the issuance of any Class A stock, 9,800 shares of Class B stock shall be authorized for issuance to the former stockholders of the Preston Riverdale and Mink Creek Canal Company, 1,600 shares of Class C stock shall be authorized for issuance to the former stockholders of the Preston & Whitney Reservoir Company, and 29,500 shares of Class D stock shall be authorized for issuance to the former stockholders of the Preston-Whitney Irrigation Company. Upon retirement of each former company's debt, the stock of each such entity (Class B, C, or D) shall thereafter be exchanged for shares of Class A stock. The common capital stock of the company shall be assessable for payment of the obligations of the company in the manner and to the extent provided in the bylaws of the company, and as said bylaws may from time to time be amended.

ARTICLE IV.

The initial registered office of the company shall be in Preston, Franklin County, Idaho. The registered agent of the company shall hereafter be the duly elected, qualified and serving secretary of the company, and the address of the company's registered office shall be the address of said secretary unless the directors otherwise provide in writing and give such notice as may be required by law. The name and address of said secretary is Maxine Waddoups, 33 S. 1st E. Preston, Idaho 83263.

ARTICLE V.

The names and addresses of the initial directors of the surviving company, Consolidated Irrigation Company, are as follows:

IDAHO SECRETARY OF STATE
01/20/2012 05:00
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<u>NAME</u>	<u>ADDRESS</u>
1. Lyle W. Porter	1447 E. 800 North, Preston, Idaho 83263
2. Brian Jensen	3818 S. 800 West, Preston, Idaho 83263
3. R. Carl Swainston	135 N. 8 th East, Preston, Idaho 83263
4. Jay Ransbottom	2077. 2400 E., Preston, ID 83263
5. Kirk Iverson	2724 S. 1400 West, Preston, Idaho 83263
6. Ray S. Bennett	1419 N. State, Preston, Idaho 83263
7. W. Earl Fellows	1022 N. 1400 West, Preston, Idaho 83263
8. Kent B. Egley	4803 E. Glencoe Road, Preston, Idaho 83263
9. Edward C. Moser	387 S. 2600 E., Preston, ID 83263
10. Jeffrey T. Hobbs	24 N. 1 st E., Franklin, ID 83257

The number of directors of the company and their election, terms, powers and responsibilities shall be as provided in the bylaws of the company, and as said bylaws may from time to time be amended.

ARTICLE VI.

The purposes for which the initial company was formed, and for which the surviving company shall continue to exist, is the acquisition and holding of water rights for the irrigation of the lands of the stockholders and the owning and operating of a diversion facility and a system of canals, reservoirs, pipelines, and laterals with attendant structures and equipment to divert waters from the public source of supply pursuant to its water rights and deliver the same to the private facilities, farms, homes, churches, schools, and municipalities of its stockholders. The company shall further transact any or all lawful business in connection with such purposes or in any manner related thereto which may aid or assist in the accomplishment of such purposes, as well as any or all other lawful business for which companies may be incorporated under the laws of the State of Idaho.

ARTICLE VII.

The capital stock of the company may only be transferred (1) in connection with a transaction involving title to the real property to which that portion of the water and water conveyance rights of the company represented by such stock is appurtenant, or (2) in connection with the sale of stock only (without an underlying real property transaction) in the manner and subject to the exceptions described in the bylaws, and as said bylaws may from time to time be amended.

ARTICLE VIII.

The respective interests of the stockholders and the assets and savings of the company shall be in the same proportion as their respective stock ownership, which shall be determined in proportion to their business with the company. No funds shall be retained in excess of those needed to meet current expenses for such purposes as retiring indebtedness incurred and acquiring assets, expanding the services of the company or maintaining reserves for necessary purposes.

ARTICLE IX.

The company shall maintain such records as are necessary to determine at any time each member's rights and interests in the assets of the company.

ARTICLE X.

Except to the extent provided in Article VII and in the bylaws, a former stockholder's rights and interests shall not be forfeited upon withdrawal or termination of membership.

ARTICLE XI.

Upon dissolution, the assets of the company, after the payment of all debts and obligations, shall be distributed to all stockholders and former stockholders in proportion to the business done with the company, in so far as practicable. Any water rights or water conveyance rights held by the company shall be distributed to the person or persons to whose lands such water rights or conveyance rights are then appurtenant.

ARTICLE XII.

No director of the company shall be personally liable to the company or its stockholders for monetary damages, except:

- a. for breach of a director's duty of loyalty to the company or its stockholders;
- b. for acts or omissions not in good faith or which involve the intentional misconduct or a knowing violation of the law;
- c. for liability under § 30-1-833 of the Idaho Code;
- d. for any transaction from which the director derived an improper personal benefit.

ARTICLE XIII.

Those stockholders present in person or by proxy at an annual or special stockholders' meeting shall constitute a quorum for purposes of transacting any business to come before the meeting.

ARTICLE XIV.

The company is and shall continue to be a nonprofit operating company as the same is described in and for the purposes of the provisions of Idaho Code, Title 42, Chapters 22 and 24, and shall have and exercise all the rights, powers and privileges set forth in said chapters, including, without limitation, the right to prescribe in its bylaws the manner in which the powers of the company, given by law, shall be exercised. The rights, powers and privileges created or granted by law and these articles of incorporation shall vest in and be held and exercised by the stockholders of the company except in so far as they may be expressly delegated to the directors by the bylaws of the company.

ARTICLE XV.

The company shall have voting members, as further set forth in the bylaws of the company.

ARTICLE XVI.

The name and address of each incorporator is as follows:

- | | |
|---------------------|---|
| 1. Ray S. Bennett | 1419 N. State, Preston, Idaho 83263 |
| 2. Jesse L. Johnson | 82 N. 2800 E., Preston, Idaho 83263 |
| 3. Lyle W. Porter | 1447 E. 800 North, Preston, Idaho 83263 |


Ray Bennett, Incorporator
Jesse L. Johnson, Incorporator
Lyle W. Porter, Incorporator