



Department of State.

**CERTIFICATE OF INCORPORATION
OF**

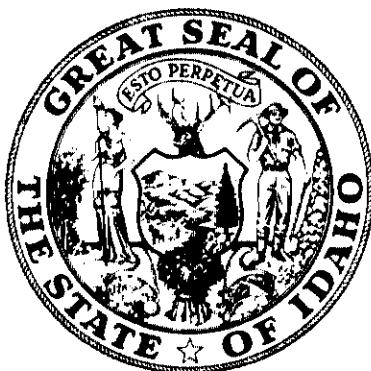
RIVERVIEW CLOVERLY IRRIGATION, INC.

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that
duplicate originals of Articles of Incorporation for the incorporation of _____
RIVERVIEW CLOVERLY IRRIGATION, INC.

duly signed 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
Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated April 23, 19 90.



Pete T. Cenarrusa

SECRETARY OF STATE

[Signature]

Corporation Clerk

APR 20 2 15 PM '90
SECRETARY OF STATE

ARTICLES OF INCORPORATION
OF
RIVERVIEW CLOVERLY IRRIGATION, INC.

The undersigned, acting as incorporator, does hereby adopt the following Articles of Incorporation for the purpose of forming a mutual non-profit irrigation company under the provisions of Idaho Code Section 30-301 et seq., and the amendments thereto.

ARTICLE I

Name

The name of this corporation shall be Riverview Cloverly Irrigation, Inc.

ARTICLE II

Purposes

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

1. To maintain and operate on a non-profit basis that certain irrigation ditch system, generally referred to as the Purdum Slough, whereby certain waters are to be diverted from the Big Wood River for beneficial use to irrigate lands which lie in Riverview Ranches, Lots 1 through 4, Block 1, and Chapman's Cloverly Ranch, Lot 2, Block 1, as depicted upon the official plats thereof on file with the Recorder's Office, Blaine County, Idaho;

2. To acquire hold, and own water rights, directly or by contract, and to acquire additional or other water rights if deemed desirable;

3. To establish equitable bylaws, rules and regulations for the distribution and use of the water represented by said water rights among the stockholders of this corporation equally and ratably per each stockholder's entitlement;

4. To fix, charge, levy and collect from the stockholders assessments against said stock, in proportion to the amount of water appurtenant to each lot, in sufficient and appropriate amounts to pay charges, tolls, rentals, assessments, operation and maintenance costs, that are appropriate;

5. To levy assessments in accordance with Idaho law, and as provided in these Articles and in the Bylaws of this corporation and to provide the manner of collecting the same and the penalty to attach for non-payment thereof including the right to a lien against the land where the water is appurtenant and to foreclosure such lien;

6. To buy, own, hold, lease and dispose of such real and personal property as may be necessary or expedient for the proper conduct of the corporation's business;

7. To commence, prosecute or defend suits, to protect water rights appurtenant to the lands served by said irrigation ditch system, or suits for any and all other purposes;

8. To do and perform all acts necessary to carry out the objects and purposes of this corporation.

ARTICLE III

Place of Business; Registered Agent

The principal place of business of the corporation is 11872 Highway 75, Hailey, Idaho, 83333, 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. The initial registered agent of the corporation is John S. Chapman, 11872 Highway 75, Hailey, Idaho, 83333.

ARTICLE IV

Directors

The business of the corporation shall be managed by a Board of Directors of three (3). The initial Directors are John S. Chapman, 11872 Highway 75, Hailey, Idaho, 83333; Harry S. Rinker and John A. Burke, both P.O. Box 297, 319 Walnut Avenue, Ketchum, Idaho 83340. Subsequent Directors shall be elected to hold office, in the manner as set out in the Bylaws.

ARTICLE V

Private Property Not Subject To Corporate Debts

The private property of the shareholders of this corporation shall not be subject to payment of corporation debts other than as provided in these Articles and the corporate Bylaws.

ARTICLE VI

Corporate Stock and Assessments

Section 1. Under the terms and conditions prescribed in the bylaws, this corporation shall admit as stockholders, and stock shall be issued to only such persons, groups of persons,

organizations or corporations who own real property within Riverview Ranches or Chapman's Cloverly Ranch. Specifically, every person or entity who is a record owner of a fee or undivided fee interest in any lot, as depicted upon the official plats for Riverview Ranches or Chapman's Cloverly Ranch, shall be a stockholder in the corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership in the corporation shall be appurtenant to and may not be separated from ownership of any lot; membership shall not be transferred, pledged or alienated in any way except upon the transfer of title to a lot, and then only to the transferee of title to said lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a lot shall operate automatically to transfer membership to the new owner of the lot. Stockholders shall be issued one share per lot. The corporation shall be entitled to retain and hold in trust the legal title to all water rights for the benefit of its shareholders when such rights are transferred to the corporation. Each shareholder shall be entitled to his or her proportionate share of the water rights so held in trust in accordance with the amount of water appurtenant to each lot, as determined by the records on file with the Idaho Department of Water Resources, conditioned upon the payment of all charges which may be levied against each share of stock as is appropriate and in accordance with the Articles and Bylaws of this corporation.

Section 2. The authorized capital stock of this corporation shall be five (5) shares of no par value stock which shall be in one class.

Section 3. Except as provided in Section 1 of Article VI, above, the shares of the capital stock of this corporation and the water represented thereby shall not be transferable except when said transfer is approved by the Board of Directors under such criteria as are prescribed in the Bylaws and such rules and regulations as might be adopted by the Board of Directors.

Section 4. Each shareholder of this corporation shall be entitled to one vote for every share of stock held by said shareholder.

Section 5. This corporation is organized on a non-profit basis for the mutual benefit of its stockholders and consequently will not have profits from which to pay dividends on its capital stock. Each year after all expenses of the corporation have been paid and reasonable reserves have been set aside to meet anticipated costs as determined by the Board of Directors, any additional monies of the corporation may be accumulated in a fund for the purpose of replacing, enlarging, extending, and repairing the system and property and property of the corporation, and for such other purposes as the Board of Directors may determine to be for the best interests 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

Benefit of Shareholders

The corporation shall operate and maintain all portions of the irrigation ditch system for the benefit of the lands to which said water rights are appurtenant.

ARTICLE VIII

Right to Lien

The corporation shall be entitled to a first and prior lien upon the lands to which the rights represented by the stock in this corporation are appurtenant, for all amounts owing pursuant to the assessments levied pursuant to these Articles, said lien to be perfected, maintained and foreclosed in the manner as set out in Idaho Code Sections 42-2202 and 42-2209 or in any other manner as permitted under the statutes of Idaho, shareholders who are delinquent in the payment of such charges shall not be entitled to the use of water.

ARTICLE IX

Amendment of Articles

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.

ARTICLE X

Perpetual Existence

The period of existence of this corporation shall be perpetual.

ARTICLE XI

Subscription of Stock

The amount of capital stock of said corporation which has actually been subscribed is five (5) shares, as follows:

<u>NAME</u>	<u>NO. OF SHARES</u>
John S. Chapman	1
Harry S. Rinker	4

ARTICLE XII

Incorporator

The incorporator and his address is as follows:

Thomas A. Miller
First Interstate Center
877 Main Street
Suite 1000
Boise, Idaho 83701

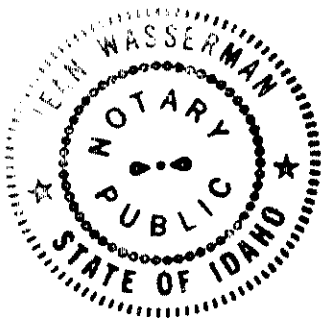
IN WITNESS WHEREOF, the incorporator has executed these Articles this 20th day of April, 1990.


Thomas A. Miller

STATE OF IDAHO,)
) ss.
County of Ada.)

On this 20th day of April, 1990, before me, the undersigned, a Notary Public in and for said county and state, personally appeared THOMAS A. MILLER, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

WITNESS my hand and official seal.



Jean Wasserman
Notary Public for Idaho
Residing at Basin, Idaho
Comm. expires 2/17/91