

# CERTIFICATE OF INCORPORATION OF

#### THUNDER CANYON WATER COMPANY

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
THUNDER CANYON WATER COMPANY
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.



SECRETARY OF STATE

Corporation Clerk

#### ARTICLES OF INCORPORATION

FOR

# THUNDER CANYON WATER COMPANY

We, the undersigned natural persons, of legal age and citizens of the United States of America and residents of the State of Idaho, acting as incorporators and directors, hereby adopt the following as the Articles of Incorporation for Thunder Canyon Water Company, pursuant to the provisions of the Idaho Nonprofit Corporation Act.

## ARTICLE I

NAME

The name of the Corporation is Thunder Canyon Water Company.

#### ARTICLE II

#### NONPROFIT PURPOSE

The Corporation is formed exclusively for purposes permitted by the provisions of Title 30, Chapter 3, of the Idaho Code, more particularly set out below. It will engage in no permitted activity requiring a license without first obtaining such a license and will conduct no activities that could be construed as conducting an insurance company under Idaho Insurance Laws. No dividends will be paid by the Corporation and no part of its income shall be distributed to its members, directors, or officers, except for reasonable compensation for services rendered or permissible distribution upon dissolution or final liquidation in accordance with the Idaho Code.

## ARTICLE III

#### DURATION

The period of duration of the Corporation shall be perpetual.

#### ARTICLE IV

#### PURPOSE

The Corporation is organized for the purpose of establishing, maintaining, and operating a community water service for the members of the corporation to assure continued service of community water at reasonable rates. The Corporation is to own, not lease, the system and funds collected for its services shall be disbursed only in payment for expenses of the system.

#### ARTICLE V

#### MEMBERSHIP

Membership in the Corporation shall be limited to owners of improved lots in Thunder Canyon Estates, Division No. 1, a platted subdivision in Bannock County, Idaho, and to owners of future subdivisions of land in Sections 29, 32, and 33, Township 9 South, Range 38 East, B.M., Bannock County, Idaho, now owned or acquired in the future by the incorporators, their successors, or assigns. Each owner of an improved lot shall be a member and such membership shall at all times be identified with the owner of such property and shall not be subject to the approval of the Board of Directors or other members of the Corporation. Nothing contained in these articles shall be construed as a restriction upon the ownership of improved properties in the subdivision and no such restriction may be imposed by the bylaws of the Corporation.

## ARTICLE VI

#### VOTING RIGHTS

Voting rights in the Corporation are restricted to improved lots in the subdivision and shall be proportionate to the number of improved properties served by the system and owned by the members. Members will be entitled to one vote for each improved lot owned by such member. Voting may be by proxy, but proxies shall

not be valid beyond eleven months nor shall they be binding upon the purchaser of the improved property from the grantor of the proxy. The expulsion of members or cancellation of their voting rights is not permissible.

#### ARTICLE VII

#### PAYMENT FOR SERVICES

Charges for services of the system will be assessed to the using members of the Corporation in amounts, at such times, and upon such notice as the Corporation, acting through its Board of Directors, may authorize. The Board of Directors shall also be authorized to prescribe the method of payment of such assessments, which may be secured by a lien upon the title to the property to which the services are furnished. Services of the system or use of its facilities may be suspended for the period of time assessments due the Corporation are not paid. Upon payment of due assessments, services of the system and use of its facilities shall be promptly restored.

## ARTICLE VIII

#### AMENDMENT

No amendment of these articles shall be permitted during the first year of the corporate existence except by a two-third majority of the eligible voters of the Corporation and with the approval of the U.S. Department of Housing and Urban Development. Thereafter, amendments may only be made by a vote of two-thirds majority of the voting members of the Corporation.

## ARTICLE IX

#### POWERS OF THE CORPORATION

The Corporation shall have the power and authority to acquire and convey the ownership of real and other property and to perform all functions and to do all acts that may be necessary and convenient

for the accomplishment and performance of the corporate purpose, consistent with Idaho law. The business of the Corporation shall be conducted by its Board of Directors, which shall consist of not more than nine, nor less than three, directors. The qualifications, number, term of office, election, powers, and duties of the directors shall be prescribed by the bylaws adopted by the Corporation, these articles, and applicable law.

#### ARTICLE X

INITIAL OFFICE, AGENT, AND DIRECTORS

The initial registered office of the Corporation will be at the residence of Clair W. Anderson in Lava Hot Springs, Idaho 83246, and he shall be its initial registered agent. The initial Board of Directors, who shall serve until their successors are elected in accordance with the bylaws, shall consist of the incorporators, whose names and addresses are listed below.

Clair W. Anderson P.O. Box 176 Lava Hot Springs, ID 83246

Janet A. Anderson P.O. Box 176 Lava Hot Springs, ID 83246

Lance Clair Anderson P.O. Box 176 Lava Hot Springs, ID 83246

DATED and executed this 22 day of August, 1983

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Janet Q. anders

Jamet A. Anderson

Xancel (for

STATE OF IDAHO )
COUNTY OF BANNOCK )

On this <u>22</u> day of August, 1983, before me, the undersigned notary public, personally appeared Clair W. Anderson and Janet A.

Anderson, husband and wife, and Lance Clair Anderson, known to me to be the persons who signed the foregoing Articles of Incorporation and acknowledged to me that they executed the same.

David W. Sandus
Notary Public