

FILED EFFECTIVE

AMENDED AND RESTATED
ARTICLE OF INCORPORATION
OF

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EVERGREEN TERRACE WATER ASSOCIATION, INC. SECRETARY OF STATE
STATE OF IDAHO

We, the undersigned, unanimously adopt the following Amended and Restated Articles of Incorporation for Evergreen Terrace Water Association, Inc.

Article I – Name

The name of the corporation is "Evergreen Terrace Water Association, Inc."

Article II – Duration

The duration of the Association shall be perpetual.

Article III – Purposes

The nature of the business of the Association and its object and purposes are as follows:

(1) To acquire, construct, own and operate a water distribution system for the mutual benefit of its members.

(2) In furthering the purposes hereinbefore set forth, this Association is organized and operated to receive, hold, invest and administer property, whether real or personal, and to exercise the powers herein after described.

Article IV – Powers and Limitations

4.1 Powers. In accomplishing the purposes of the Association, the Association shall have and be entitled to exercise all the powers enumerated in Idaho Code Chapter 30-3 as now enhanced and hereafter amended except as limited herein. Where any provision of these articles or the bylaws of the Association are more restrictive, the more restrictive provision shall apply.

4.2 Limitations.

a. The business of this Association shall be conducted strictly upon the cooperative basis and no serviced shall be rendered to or for any person, firm or corporation other than members of the Association and there shall be no profit earned by the Association nor any dividends declared from any accumulations in its treasury nor any division of the assets of the Association among the members thereof at any time unless upon the dissolution and liquidation of the Association or as required by law to maintain its non-profit and/or tax exempt status.

b. The number of members of the system shall be limited to not more than one hundred (100) which is based on the capacity of the proposed system.

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Article V – Membership and Voting

5.1 Membership. Members of the Association shall consist solely of those persons who are the fee simple owners of the real property within the service district of the Association who have agreed to pay the charges and assessments of the Associations and provide such security as required by the Board. Each connection to the system shall be entitled to one (1) unit of membership in the Association. Membership in the Association shall entitle the holder thereof to access the Association's system and the purchase of water from the Association; provided, however, that any member in default in payment of fees and assessments charged by the Association, as determined by the Board, shall not be entitled to any rights of a member hereunder.

5.2. Voting. Members in good standing with the Association shall be entitled to cast one (1) vote per lot owned in any meeting of the members. A member is deemed in good standing with the Association if all subscriptions, dues, fees, assessments and any other charges made by the Association that are due and not delinquent as of the date of the meeting are paid current at least five (5) days before the members act on the business of the Association.

5.3. Transfer of Membership. Membership shall be appurtenant to each lot described above and shall automatically pass with title to each lot.

5.4. Lien. The Association shall have a lien on the membership interest, and all rights related thereto, for all sums owned by any owner to the Association.

Article VI – Registered Office and Agent

The registered office of this Association shall be 248 Evergreen Terrace Road, St. Maries, ID 83861, and the name of the initial registered agent of the Association at such address shall be Arlo Slack.

Article VII – Board of Directors

The Board of Directors of the Association shall consist of not less than three (3) or more than nine (9). The Board of Directors shall be elected by the members in the manner set forth in the Bylaws of the Association.

As of the date of these Amended and Restated Articles of Incorporation, the Board of Directors is:

<u>Name</u>	<u>Address</u>	<u>Term Expires</u>
Arlo Slack	248 Evergreen Terrace Rd. St. Maries, ID	May 1, 2014
Gary Moss	568 Evergreen Terrace Rd. St. Maries, ID	May 1, 2012
Jim Shubert	170 Ponderosa Lane St. Maries, ID	May 1, 2014

Bryce Coulter	606 Evergreen Terrace Rd.	5/1/2013
	St. Maries, ID	
Jim Nilson	P.O. Box 726	5/1/2012
	St. Maries, ID	

A Director may be removed by the three-quarter affirmative vote of the members present at a meeting of the membership.

No director shall be personally liable to the Association or its members for monetary damages for conduct as a director provided that such limitation of liability shall not apply to acts or omissions of intentional misconduct, knowing violation of a law, or for any transaction from which the director is not legally entitled. This provision is intended to provide the directors the maximum limitation of liability intended by Idaho Code Section 30-3-85, as now enacted or hereafter amended, revised, reenacted or replaced and interpretations thereof by the courts.

Article VIII – Dissolution

Upon the dissolution of the Association, the Board shall, after paying or making provision for the payment of all of the liabilities of the Association and making provision for reimbursement of assessments or otherwise by the members, distribute all of the remaining assets of the Association on a patronage basis to all members past and present to the extent it is practicable. Any of such assets not so disposed of shall be disposed of by the District Court of the County in which the principal office of the Association is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine.

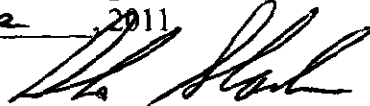
Article IX – Assessments and Fees

The Association is organized for the mutual benefit of its members and shall have no profit. The cost of acquiring, constructing, managing and operating the corporate water system shall be paid by fees and charges assessed to the members of the Association. Whenever the Board of Directors deems it necessary and advisable to establish or change the fees and charges for water, such fees and charges shall be established by the Board at a meeting called for that purposes in accordance with the provisions of the Bylaws of the Association. All assessments received by the Association will be used only for the payment of debts of the Association and to operate and maintain the water system owned by the Association. After all expenses of the Association are paid each year, and a reasonable reserve set aside as determined by the Board of Directors, any excess income of the Association shall be used to reduce or offset future fees and charges assessed by the Association.

Article X – Miscellaneous Provisions

Headings in these Amended and Restated Articles of Incorporation are intended to assist in location of specific provisions and are not controlling in interpreting the substantive provisions.

IN WITNESS WHEREOF, the undersigned has signed these Amended and Restated Articles of Incorporation this 1 day of June, 2011



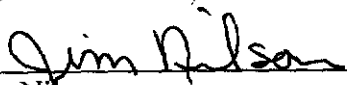
Arlo Slack



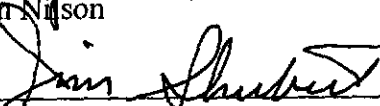
Gary Moss



Bryce Coulter



Jim Nilson



Jim Shubert

CONSENT TO APPOINTMENT AS REGISTERED AGENT

Arlo Slack hereby consents to serve as registered agent, in the State of Idaho, for Evergreen Terrace Water Association, Inc. I understand that as agent for the Association, it will be my responsibility to accept Service of Process in the name of the Association; to forward all mail and license renewals to the appropriate officer(s) of the Association; and to immediately notify the Office of the Secretary of State of our resignation or of any changes in the address of the registered office of the Association for which I am agent.

Date: May 19, 2011.

By 
Arlo Slack