



CERTIFICATE OF AMENDMENT
OF

HAYDEN HILLS NORTH WATER ASSOCIATION, INC.

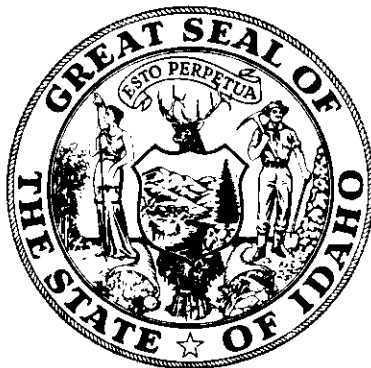
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho hereby, certify that
duplicate originals of Articles of Amendment to the Articles of Incorporation of _____

HAYDEN HILLS NORTH WATER ASSOCIATION, INC

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

Dated _____ August 7 , 19 87 .



SECRETARY OF STATE

Corporation Clerk

RECORDED
SEC. 6
87 JUL 27 10 32

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF

HAYDEN HILLS NORTH WATER ASSOCIATION, INC.

WE, the president and secretary of the above named corporation, for the purposes of amending and restating the Articles of Incorporation, originally filed with the Secretary of State for the State of Idaho on November 19, 1981, state that such amendments took place at a duly called meeting of the members of the corporation on the 30th day of June, 1987, at which meeting a quorum of the members were present and a majority of the members in person or by proxy voted to completely delete the Articles of Incorporation heretofore filed and to amend and restate the Articles of Incorporation as follows:

ARTICLE I

The name of the corporation is HAYDEN HILLS NORTH WATER ASSOCIATION, INC.

ARTICLE II

This corporation is formed and exists pursuant to the Idaho Nonprofit Corporation Act (Idaho Code Section 30-301 et seq.).

ARTICLE III

The period of duration of the corporation is perpetual.

ARTICLE IV

The purposes for which this corporation is organized are:

- A. To acquire, construct, maintain and operate a water system, together with easements for the operation

thereof, and to provide domestic residential water to the members of the corporation who own real property, or reside on real property, located within Section 33, Township 52 North, Range 3 West, Boise Meridian, Kootenai County, Idaho; and to engage in any and all types of activities not prohibited by law which shall promote such water system. The maximum number of water connections onto the water system of the corporation shall be set by the Board of Directors of the corporation. The corporation shall not give, sell, convey, or otherwise furnish water to any person who is not a member of the corporation.

- B. The corporation shall have the power and authority to do all things incidental to establishing, operating, and maintaining said water system not prohibited by the Idaho Code, by federal or local law or regulation, or by these Articles of Incorporation. In connectin therewith, the corporation shall have the power to borrow money and give security therefor.

ARTICLE V

The location and address of the registered office of the corporation shall be within Kootenai County, State of Idaho, with a specific location and post office address as shall be established from time to time by the Board of Directors.

ARTICLE VI

The corporation is not formed for profit and shall have no capital stock. The corporation may issue certificates of

membership, provided that no more than four (4) memberships shall be issued by the board. Members who are receiving water from the corporation shall be considered "active members" and shall be entitled to vote at all regular and special membership meetings. Those members who do not receive water shall be considered "inactive members" and shall not be entitled to vote at membership meetings. Each active membership shall be entitled to one vote and no more upon any matter submitted to a vote at a meeting of the members. The By-Laws of the corporation shall define and fix the duties and responsibilities of the members and prescribe such other terms and conditions upon which members shall be admitted and retain membership in the corporation not inconsistent with these Articles of Incorporation or the Act under which the corporation is organized.

ARTICLE VII

The private property of the members of the corporation shall not be subject to the payment of, and no member shall be individually responsible for, corporate debts to any extent whatsoever. Nothing herein shall be deemed to release a member from his or her debts or liabilities to the corporation.

ARTICLE VIII

Members may be assessed fees levied on all members in a like manner. The Board of Directors of the corporation shall have the power and authority to fix the amount of such assessments from time to time, and to make such assessments payable at such times or intervals, and upon such notice, and by such methods as the directors may prescribe. Assessments may be made enforceable by

(1) an action at law, or (2) by the forfeiture of membership, or both, upon notice given in writing twenty (20) days before commencement of such action or such forfeiture. In addition, assessments may be secured by a lien upon the real property to which membership rights are appurtenant.

ARTICLE IX

These Articles of Incorporation may be amended, altered, changed or repealed upon a resolution duly adopted by the Board of Directors, which resolution shall be presented to the members at any regular or special meeting, and in which an affirmative vote of a majority of the total number of the members present at such regular or special meeting, in person or by proxy, authorizes such amendment, provided that the notice of member meeting at which such amendment is voted upon shall have contained a copy of the proposed alteration, amendment, or repeal.

DATED this 22nd day of July, 1987.


THEONE L. HUTCHMAN, President


JOAN K. SWARTHOUT, Secretary

VERIFICATION

STATE OF IDAHO)
) ss.
County of Kootenai)

THEONE L. HUTCHMAN, being first duly sworn upon her oath, deposes and states as follows:

That she is the president of Hayden Hills North Water Association, Inc., that she has read the foregoing Amendments to Articles of Incorporation, knows the contents thereof and believes

the same to be true to the best of his knowledge and belief.

Theone L. Hutchman
THEONE L. HUTCHMAN
President

SUBSCRIBED AND SWORN to before me, Lisa E. Zenor,
the undersigned notary public, this 22nd day of July, 1987.

Lisa E. Zenor
Notary Public for Idaho;
residing at: Coeur d'Alene;
my commission expires: 3/05/93.