

FILED EFFECTIVE

2003 DEC 15 AM 9:10

STATE OF IDAHO

**Articles of Incorporation
of**

STATE OF IDAHO

Aspen Creek Water Association, Inc.

We, the undersigned, adopt the following Articles of Incorporation for the purpose of forming a nonprofit, incorporated Water User's Association under the Idaho Nonprofit Corporation Act.

Article I – Name

The name of the corporation is "Aspen Creek Water Association, Inc."

Article II – Duration

The duration of the Corporation shall be perpetual.

Article III – Authority

The Corporation is created pursuant to the Idaho Nonprofit Corporation Act, Idaho Code Title 30, Chapter 3, and shall be a Water User's Association under Idaho Code Section 30-804.

Article IV – Purpose and Powers

The Corporation is organized for the sole purpose of delivering irrigation water to its members on the real property described below. The Corporation shall not sell, distribute or offer water for profit. In furtherance of such purpose, the Corporation shall have the power to acquire, construct, develop, operate, maintain and administer a private irrigation water source and distribution system, and to engage in all other lawful activities and functions consistent with its primary purpose and authorized under the Idaho Nonprofit Corporation Act.

Article V – Membership and Voting

1. Membership. Members of the Corporation shall consist of those persons who are the fee simple owners of [legal description].
2. Voting. Members in good standing shall be entitled to cast one (1) vote per lot owned, regardless of the number of individuals holding title to each lot. Voting rights shall be further defined in the Bylaws of the Corporation.
3. Transfer of Membership. Membership shall be appurtenant to each lot described above and shall automatically pass with title to each lot.

IDAHO SECRETARY OF STATE
12/15/2003 05:00
CK: 177 CT: 174989 DH: 716667
1 @ 38.00 = 38.00 INC NONP # 2

c 152101

Article VI – Registered Office and Agent

The initial registered office and registered agent of the Corporation is:

Mike Newell
1100 E Lakeshore Drive
Suite 102B
Coeur d'Alene, Idaho 83814

Article VII – Board of Directors

The business of the Corporation shall be managed by a Board of Directors numbering not less than three (3) or more than five (5). The Board of Directors shall be elected by the Members in the manner set forth in the Bylaws of the Corporation.

The incorporators and initial Directors of the Corporation are:

Mike Newell 1100 E Lakeshore Drive Suite 102B, Cda, Idaho 83814
Cheri Howell 1711 E Jenny Lynn Lane, Cda, Idaho 83814
Cindy Espe 714 Davidson Ave, Cda, Idaho 83814

Article VIII – Indemnification

No Director, Officer or Member of the Corporation shall be held personally liable for any action, debt, obligation or other liability of the Corporation. The Corporation will defend and indemnify any person who serves as an Officer or Director for claims arising out of or related to any action taken or decision made on behalf of the Corporation and within the scope of the person's authority as an Officer or Director of the Corporation.

Article IX – Assessments and Fees

The Corporation is organized for the mutual benefit of its members and shall have no profit. The cost of acquiring, constructing, managing and operating the corporate irrigation water system shall be paid by fees and charges assessed to the members of the Corporation. 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 purpose in accordance with the provisions of the Bylaws of the Corporation. All assessments received by the Corporation will be used only for the payment of corporate debts, and to operate and maintain the irrigation water system owned by the Corporation. After all expenses of the Corporation are paid each year, and a reasonable reserve set aside as determined by the Board of Directors, any excess income of the Corporation shall be used to reduce or offset future fees and charges assessed by the Corporation.

Article X – Lien on Shares

The Corporation shall have a lien on the Membership Certificate held by the members for all assessments levied, and shall have the right to enforce such lien as set forth in the Bylaws of the Corporation.


Article XI - Dissolution

Upon the winding up of the corporate affairs and dissolution of the Corporation, any remaining assets shall be distributed to a qualified nonprofit fund, foundation or other organization in accordance with the provisions of the Bylaws of the Corporation.

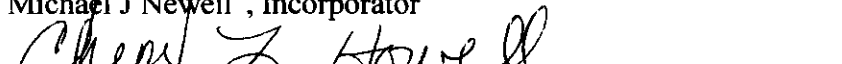
Article XII – Amendment

These Articles of Incorporation may be amended by a vote of at a meeting of the members having voting rights. The proposed amendment shall be adopted by the approval of not less than two-thirds (2/3rds) of the members present at such meeting in person or by proxy and entitled to vote under the terms of the Bylaws of the Corporation.


Approved and adopted this 22nd day of October, 2003.



Michael J Newell , Incorporator



Cheri Howell



Cindy Espe