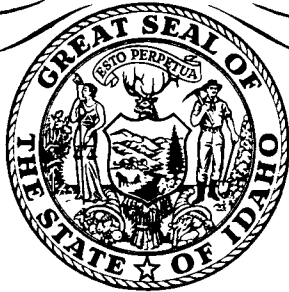


State of Idaho



Department of State

CERTIFICATE OF INCORPORATION

I, ARNOLD WILLIAMS, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the original of the articles of incorporation of

NORTH BENCH WATER ASSOCIATION, INC.

was filed in the office of the Secretary of State on the **Eighth** day of **July** A. D. One Thousand Nine Hundred **Sixty-five** and **will be** ~~is~~ duly recorded on ~~Film~~ **microfilm** of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103 and Sections 30-1001 to 30-1005, inclusive, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for **perpetual existence** from the date hereof, with its registered office in this State located at **Bonnere Ferry,** in the County of **Boundary** and as such are subject to the rights, privileges and limitations granted to Non-Profit Cooperative Associations as provided in Chapter 10, Title 30, Idaho Code.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this **8th** day of **July**, A.D., 19 **65**.

ARNOLD WILLIAMS
Secretary of State

By **Deputy** Secretary of State.

ARTICLES OF INCORPORATION
OF
NORTH BENCH WATER ASSOCIATION, INC.

We, the undersigned full age citizens of the United States and all of whom are residents of Boundary County, State of Idaho, do hereby voluntarily associate ourselves together for the purpose of forming a non-stock cooperative Association under the provisions of Chapter 10, Title 30, Idaho Code, and amendments thereto.

ARTICLE I

The name of this Association shall be the NORTH BENCH WATER ASSOCIATION, INC.

ARTICLE II

The nature of the business of the Association and the objects and purposes for which, or for any of which, this Association is formed are:

- a. To associate its members together for their mutual benefit, and to that end to construct, maintain, and operate a private water system for the supplying of water for domestic, livestock, and garden purposes to its members, and to engage in any activity related thereto, including, but not limited to, the acquisition of water by appropriation, drilling, pumping and/or purchase, and the purchase, laying, installation, operation, maintenance, and repair of wells, pumping equipment, water mains, pipe lines, valves, meters, and all other equipment necessary to the construction, maintenance, and operation of a water system.
- b. To borrow from any source, money, goods, or service without limitation as to amount of corporate indebtedness or liability; and to pledge or mortgage any of its property as security therefor in any manner permitted by law.

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c. To acquire, and to hold, own, and exercise all rights of ownership in, and to sell, transfer or pledge shares of capital stock or bonds, or become a member or a stockholder of any Corporation or Association engaged in any related activities.

d. To buy, lease hold, and exercise all privileges of ownership in and to the real or personal property as may be necessary or convenient for the conduct and operation of the business of the Association or incidental thereto.

e. To establish reserves and to invest the funds thereof in stocks, bonds, and other property as the board of directors may deem satisfactory.

f. To levy assessments in such manner and in such amount as may be provided in the by-laws of this Association.

g. To have and exercise all powers, privileges, and rights conferred on corporations by the laws of the State of Idaho and all powers and rights incidental in carrying out the purposes for which this Association is formed, except such as are inconsistent with the express provisions of the act under which this Association is incorporated.

h. The foregoing shall be construed both as objects and powers and the enumeration thereof shall not be held to limit or restrict in any manner the general powers conferred on this Association by the laws of the State of Idaho, all of which are hereby expressly claimed.

ARTICLE III

The place where the principal business of the Association is to be transacted is the City of Bonners Ferry, County of Boundary, State of Idaho, but the Association may maintain offices

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and places of business at such other places within the State of Idaho as the Board of Directors may determine.

ARTICLE IV.

The period of existence of this Association shall be perpetual.

ARTICLE V.

The private property of the members shall not be subject to payment of association debts to any extent whatsoever.

ARTICLE VI.

Section 1. This association shall not have capital stock, but its capital shall be represented by membership certificates.

Section 2. Under the terms and conditions prescribed in its By-Laws, this association shall admit as members only such persons, groups of persons, organizations or corporations owning the property to which the delivery of water is desired and having a reasonable accessibility to the source of and a need for water for domestic, livestock and garden purposes from the water system constructed, maintained and operated by the association; provided, however, the association shall not be required to admit members if the capacity of its water system is exhausted by the needs of its existing members.

Section 3. The membership fee in this Association shall be Three Hundred and no/100 (\$300.00) Dollars. The voting power and property rights and interest of each member whose fees are fully paid and who is in good standing shall be equal and each member shall be entitled on one vote only. New members upon their admission in this Association shall be entitled to one vote and to share in the property of the association equally with the old members. When a member has paid his membership fee in full he shall receive a certificate of membership. Assessments against members and a determination of their liabilities shall be fixed by the By-Laws of the association.

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Section 4. Twenty-five per cent (25%) of the members present or represented by proxy at any meeting of members regularly called shall constitute a quorum for the conduct of business at such meeting in accordance with the notice thereof.

Section 5. This Association is organized on a non-profit basis for the mutual benefit of its members and consequently will not have profits from which to pay dividends on its capital. After all expenses of the Association have been paid and reasonable reserves as determined by the board of directors set aside, the net earnings of the Association shall be accumulated in a surplus fund for the purpose of replacing, enlarging, extending, and repairing the system and property of the Association, and for such other purposes as the board of directors may determine to be for the best interests of the Association. The said surplus fund or any portion thereof may from time to time at the discretion of the board of directors be distributed to the members as provided in the By-Laws, on the basis of the assessments and charges made and levied against and paid by such members during the year.

ARTICLE VII

These articles may be amended in any manner permitted or authorized by law by the favorable vote of a two-thirds majority of the members present or represented by proxy at a meeting of the members duly called upon notice of the specific purpose thereof and containing a statement of the proposed amendment.

ARTICLE VIII

The number of directors shall be seven (7) and the names and addresses of those who are to serve as incorporating directors for the first term and until their successors are elected and qualified are:

<u>NAME</u>	<u>ADDRESS</u>
Nick Plato	Route 1, Bonners Ferry, Idaho
Bruce Frazier	Route 1, Bonners Ferry, Idaho
C. C. Campbell	Route 1, Bonners Ferry, Idaho
Vere R. Padgett	Route 1, Bonners Ferry, Idaho
Allan Sheldon	Route 1, Bonners Ferry, Idaho
Marvin Bennett	Route 1, Bonners Ferry, Idaho
Cyril Mastre	Route 1, Bonners Ferry, Idaho

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IN WITNESS WHEREOF, we, the incorporators, and named herein
as the first Board of Directors, have set our hands and seals this
6th day of July, 1965.

Nick Plato
Nick Plato

Bruce Frazier
Bruce Frazier

C. C. Campbell
C. C. Campbell

Vere R. Padgett
Vere R. Padgett

Allan Sheldon
Allan Sheldon

Marvin E. Bennett
Marvin Bennett

Cyril Mastre
Cyril Mastre

STATE OF IDAHO)
) ss.
County of Boundary)

On this 6th day of July, 1965, personally
appeared before me, a Notary Public in and for the State of Idaho,
all of the parties to the foregoing Articles of Incorporation,
known to me personally to be such and severally acknowledged said
Articles of Incorporation to be the act and deed of the signers,
respectively, and that the facts therein stated are truly set forth.

Given under my hand and seal of office the day and year afore-
said.

[Signature]
Notary Public for State of Idaho
Residing at Bonners Ferry, Idaho
My comm. exp.: