



Department of State.

**CERTIFICATE OF INCORPORATION
OF**

SUN RAY ESTATES WATER ASSOCIATION, INC.

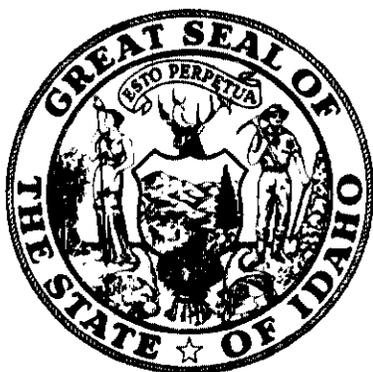
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of _____

SUN RAY ESTATES WATER ASSOCIATION, INC.

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.

Dated May 25, 19 90.



Pete T. Cenarrusa

SECRETARY OF STATE

Elizabeth M. Basala

Corporation Clerk

92376

RECEIVED
SEC. OF STATE

90 MAY 25 AM 8 45

ARTICLES OF INCORPORATION

OF

SUN RAY ESTATES WATER ASSOCIATION, INC.

The undersigned, for the purpose of forming a non-profit cooperative association, pursuant to the applicable law of the State of Idaho relating to such associations, do hereby certify and state:

ARTICLE I

The name of the cooperative association is and shall be SUN RAY ESTATES WATER ASSOCIATION, INC., hereinafter referred to as the "Association."

ARTICLE II

The Association is and shall be a non-profit cooperative association, and is formed pursuant to, and in accordance with Idaho Code Section 30-301, et seq, known as the "Idaho Non-Profit Corporation Act."

ARTICLE III

The names and addresses of each of the incorporators of the Association are as follows:

1. James E. Sykes
E. 5104 Commerce Avenue
Spokane, Wa 99206

2. William C. and Elfrieda Mullin
1195 Peninsula Road
Hope, Idaho 83836
3. Earl E. and Cora L. Taber
1200 Peninsula Road
Hope, Idaho 83836
4. Leslie R. and Marion P. Downs
1210 Peninsula Road
Hope, Idaho 83836

ARTICLE IV

The names and addresses of the initial Board of Directors are:

1. Earl E. Taber
1200 Peninsula Road
Hope, Idaho 83836
2. James E. Sykes
E. 5104 Commerce Avenue
Spokane, Wa 99206
3. Elfrieda Mullin
1195 Peninsula Road
Hope, Idaho 83836

ARTICLE V

Subject to dissolution in the manner provided by Idaho law regarding general business corporation, the period of existence and duration of the life of the Association shall be perpetual.

ARTICLE VI

The purposes for which this corporation are formed are:

- (1) To construct, purchase, operate and maintain a domestic water system for the benefit of membership of said Association; to purchase or produce and sell water to membership.
- (2) To fix, levy, collect, and enforce payment by any

lawful means of all charges or assessments pursuant to the terms of the By-Laws, and to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association.

(3) In general, to carry on any other business in connection with the foregoing, and to have and exercise all of the powers conferred by the laws of Idaho upon corporations, as qualified and limited by Idaho Code Section 30-301, et seq.

(4) The foregoing clauses shall be construed as objects, purposes and powers; it is hereby expressly provided that any enumeration of specific powers shall not be limited to or restrict in any manner the powers of this Association, except as provided in subparagraph (3) above.

ARTICLE VII

The principal place of business and the address of the initial registered office in the State of Idaho of this corporation is 1195 Peninsula Road, Hope, Idaho 83836. The name of the initial registered agent at said address is Elfrieda Mullin.

The Board of Directors may from time to time establish and maintain in said County and State such other place of business and such other office as may be useful or convenient in

transacting the affairs of the Association.

ARTICLE VIII

The Association shall be formed without capital stock. All owners of individual lots within SUN RAY ESTATES shall be members of the Association. The membership of each lot owner shall terminate when he ceases to be a lot owner, and upon the sale, transfer or other disposition of his lot, his membership in the Association shall automatically be transferred to the new lot owner. Membership in the Association is a right of ownership and is not subject to approval by the Board of Directors or other members of the Association. No expulsion of members or cancellation of voting rights is permitted.

The affairs of the corporation shall be governed by a Board of Directors composed of three (3) persons, all of whom must be voting owners of lots in SUN RAY ESTATES.

ARTICLE IX

The Board of Directors of the Association is authorized to levy assessments upon all members or classes of the Association in different amounts or proportions, or upon a different basis upon different member or classes of membership, and may exempt some members or classes of membership from assessments. The Board of Directors is further authorized to fix the amount of assessments from time to time, and determine the method of collection of assessments. The Board of Directors is further

authorized to make assessments payable at such times or intervals, and upon such notice, and by such methods as said Board of Directors may prescribe.

Delinquent assessments may be enforced by action, upon notice given in writing twenty (20) days before commencement of such action.

Assessments and/or dues of the Association shall constitute a lien upon real property to which membership rights are appurtenant. Said lien shall be prior, senior and superior to any mortgage or other debt instrument recorded subsequent to the recording of these Articles of Incorporation.

ARTICLE X

Promptly after the filing of these Articles of Incorporation with the Idaho Secretary of State and the issuance of a Certificate of Incorporation, the first Board of Directors shall caused to be completed and filed with the Internal Revenue Service, IRS Form 1024 whereby the Association will make its election to be treated as a non-profit corporation for Federal Income Tax purposes.

IN WITNESS WHEREOF, the above named incorporators have executed these Articles of Incorporation in duplicate on the dates appearing opposite their respective signatures.

James E. Sykes
JAMES E. SYKES

Dated: 4/20, 1990

William C. Mullin
WILLIAM C. MULLIN

Dated: 4/18, 1990

Elfrieda Mullin
ELFRIEDA MULLIN

Dated: 4/18, 1990

Earl E. Taber
EARL E. TABER

Dated: 4/18, 1990

Cora L. Taber
CORA L. TABER

Dated: 4/18, 1990

Leslie R. Downs
LESLIE R. DOWNS

Dated: 4/17/90, 1990

Marion P. Downs
MARION P. DOWNS

Dated: 4/17/90, 1990

STATE OF IDAHO)
County of BONNER) ss.

On this day personally appeared before me, the undersigned Notary Public, JAMES E. SYKES, known to me to be the person whose signature is subscribed to the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 20 day of April, 1990.

[Signature]
Notary Public
Residing at: Sanford, ID
Comm. Exp.: 5/6/91

STATE OF IDAHO)
) ss.
County of Bonner)

On this day personally appeared before me, the undersigned Notary Public, WILLIAM C. MULLIN and ELFRIEDA MULLIN, husband and wife, known to me to be the persons whose signatures are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 18 day of April, 1990.

Catherine L. Dulka
Notary Public
Residing at: Sandpoint
Comm. Exp.: 11/2/93

STATE OF IDAHO)
) ss.
County of BONNER)

On this day personally appeared before me, the undersigned Notary Public, EARL E. TABER and CORA L. TABER, husband and wife, known to me to be the persons whose signatures are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 18th day of APRIL, 1990.

Earl E. Taber
Notary Public
Residing at: SANDPOINT
Comm. Exp.: 8/6/91

STATE OF IDAHO)
County of Bonner) ss.

On this day personally appeared before me, the undersigned Notary Public, LESLIE R. DOWNS and MARION P. DOWNS, husband and wife, known to me to be the persons whose signatures are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 17 day of April, 1990.

Arthur L. Dullen
Notary Public
Residing at: Sandpoint
Comm. Exp.: 11/9/93