State of Idaho

Department of State

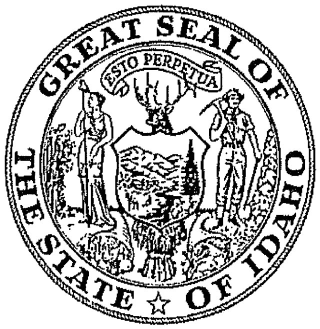
CERTIFICATE OF AMENDMENT
OF

SALMON RIVER MEADOWS MUTUAL WATER CO.
File Number C 43201

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 SALMON RIVER MEADOWS MUTUAL WATER CO., 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 Amendment to the Articles of Incorporation and attach hereto a duplicate original of the Articles of Amendment.

Dated: March 12, 1996



Pete T. Cenarrusa
SECRETARY OF STATE

By

State of Idaho

GREAT SEAL OF THE STATE OF IDAHO

Department of State.

CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, 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

SALMON RIVER MEADOWS MUTUAL WATER CO.

was filed in the office of the Secretary of State on the 31st day of December A.D., One Thousand Nine Hundred seventy and will be duly recorded on ~~Film No.~~ 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, 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 Salmon, Idaho in the County of Lemhi

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 31st day of December, A.D., 19 70 .

Pete T. Cenarrusa
Secretary of State.

Corporation Clerk.

Domestic

compensation.

(e) To make by-laws not inconsistant with these articles, the laws of the United States or the laws of the State of Idaho, which by-laws shall be for the regulation and government of the affairs of the corporation and shall provide for the means of certification and transfer of the shares of stock of this corporation.

(f) To levy assessments on the shares of stock in this corporation in such manner and in such amount as may be provided by the by-laws of this corporation. Said assessments as provided by the by-laws, shall become a lien upon the stock and the land to which such shares of stock may be appurtenant.

(g) 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 upon this corporation by the laws of the State of Idaho, all of which are hereby expressly claimed.

ARTICLE III

The principal place of business of the corporation shall be located at Salmon City, Lemhi County, Idaho.

ARTICLE IV

The affairs of the corporation shall be under the control of the Board of Directors consisting of not less than three nor more than seven, as may be set by the by-laws.

ARTICLE V

This corporation shall have the authority to issue One Thousand shares of capital stock without par value, said shares of stock to be fully assessable as provided by these articles, the by-laws of the corporation and the statutes of the State of Idaho. One share of stock shall be issued to the owner of each lot in the Salmon River Meadows Unit of the Salmon River Estates Unit No. 3.

State of Idaho

Department of State

CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION

I, PETE T. CENARRUSA ~~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

SALMON RIVER MEADOWS MUTUAL WATER CO.

a corporation organized and existing under and by virtue of the laws of the State of Idaho, filed in this office on the **sixteenth** day of **August** 19**71**, original articles of amendment, as provided by Sections **30-146 and 30-147, Idaho Code, amending Article II, enlarging the purposes**

and that the said articles of amendment contain the statement of facts required by law, and are recorded on Film No. **microfilm** of Record of Domestic Corporations of the State of Idaho.

I THEREFORE FURTHER CERTIFY, That the Articles of Incorporation have been amended accordingly.

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 **16th** day of **August**, A. D., 19**71**.

Secretary of State

Amended
BY-LAWS OF
SALMON RIVER MEADOWS
MUTUAL WATER CO.

Article I: Offices

Section 1. Registered Office. The registered office of the Corporation required by the Idaho Nonprofit Corporation Act, Chapter 3, Title 30, Idaho Code ("Act"), to be maintained in the State of Idaho, shall be located in Salmon River Meadows, at H-C 61, Box 145-A, Salmon, ID. 83467.

Article II: Stockholders

Section 1. Annual Meeting. The regular meeting of the stockholders shall be held on the 15th day of June of each year, except in the event said date falls upon Saturday, Sunday, or a holiday, in which event said meeting shall be held on the next succeeding business day. This meeting shall be for the purpose of electing directors in accordance with the provisions of these By-Laws, and for the transaction of such other business as may properly come before it.

Section 2. Special meetings. Special meetings of the stockholders shall be called by the President at any time when instructed to do so by the Board of Directors, or when requested to do so in writing by the majority (60%) of the the resident stockholders, or when requested to do so by stockholders holding 100 shares of the outstanding stock of the Corporation.

Section 3. Place of meeting. All meetings of the stockholders, either regular or special, shall be held at the office of the Corporation, or in such other suitable place as may be designated by the officers of the Corporation, such place to be clearly stated in the notice of the meeting.

Section 4. Notice of meetings. Notice of the regular meeting or any special meetings of the stockholders shall be given in writing, by first class mail, to each stockholder of record at least ten (10) days prior to the date of such meeting. The stockholders of record shall be determined from the records of the Corporation as of the close of the business day thirty days prior to such meeting. Notice shall be deemed to have been given when placed in an envelope with the postage theron prepaid, addressed to the stockholder at the last address of such stockholder furnished to the Corporation.

Section 5. Right to vote. Shares must be in good standing without delinquent fees and assessments to be eligible to vote. Every stockholder in good standing shall have the right to vote in person or by proxy . Each stock represents the right for one vote, if for a director, for the number of persons as there are directors to be elected.

Section 6. Proxies. A member may vote either in person or by proxy, executed in writing, and signed by the member. No proxy shall be valid after eleven months from the date of its execution. Every proxy shall be revocable at the pleasure of the member who executed it. Proxies must be filed, with the secretary, at least 5 days prior to the holding of any stockholders meeting, or brought to the meeting by another stockholder, or an adult relative living at the same residence with said/such stockholder.

Section 7 . Quorum and Voting Requirments. One-tenth (10) of the members entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of members. The members present at a duly organized and convened meeting where a quorum has been present can continue to do business as a quorum until adjournment, not withstanding the withdrawal of enough members to leave less than a quorum. If a quorum is present the affirmative vote on the subject matter shall be the act of the members, unless the greater number is required by the Articles, these By-laws, or State Law.

Article IV: Vacancies on the Board of Directors
Removal of Directors

Section 1. Vacancies. Vacancies on the board may be filled by the remaining members of the Board of Directors. The person with the next highest number of votes at the annual meeting shall be asked first, then down the line. Any Director electing to fill a vacancy shall be entitled to act untill the next regular meeting of the stockholders of said corporation.

Section 2. Removal. A Director may be removed by a vote of at least one half plus one of the total numbers of directors for the following acts: (a) Theft from the Corporation (b) Knowingly acting in violation of the Articles, or the By-Laws of the Corporation (c) Missing three board meetings in a row without good cause. Any Director may be removed for good cause by petition signed by 50 percent (50%) of the stockholders whose stock is in good standing.

Articles V: Officers

Section I. Officers. The Officers of this corporation shall consist of a President, a Vice- President, a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors, and shall hold their office for one year, at which time a new election shall be held. Such other Officers and Assistant Officers as may be deemed necessary may be elected or appointed by the Board of Directors. With the exception of the offices of Secretary / Treasurer, no two (2) or more offices may be held by the same person.

Section 2. Election. The President and the Vice-President shall be elected from among the Board of Directors. The Secretary and the Treasurer need not be a member of the Board of Directors, or a Stockholder in the Corporation.

Article VI: Officers Duties

Section 1. President. The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. The President shall, when present, preside at all meetings. The President may sign, with the Secretary or any other proper officer of the Corporation thereunto authorized by the Board of Directors, any promisory notes, checks, leases, contracts, or other instruments, that the Board of Directors has authorized to be executed, except in the cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other Officer or Agent of the Corporation, or shall be required by law to be otherwise signed or executed.

Section 2. Vice-President. In the absence of the President , or in the event of the President's death, inability or refusal to act, the Vice-President shall preform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President and shall perform such other duties as from time to time may be assigned to the Vice President by the President or by the Board of Directors. The Vice President shall sign checks in the absence of the Treasurer.

Section 3. Secretary. The Secretary shall attend all meetings, and shall prepare and maintain minutes of those meetings. The Secretary shall be the custodian of the Official Seal of the Corporation and shall affix that seal on all documents executed on behalf of the Corporation. The Secretary shall maintain a register of stockholders, showing the names and current addresses. The Secretary shall have the custody of and properly file all legal documents and records to which the Corporation is a party or by which it is legally affected. The Secretary shall in general preform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or the Board of Directors. All books and records of the corporation may be inspected by any member or his agent, for any proper purpose at any reasonable time.

Section 3. Failure to pay. If a stockholder should fail to pay the assessment against his stock, the directors may assess a late fee and charge interest on the unpaid balance and may enforce said assessment under the provisions of the statutes of the State of Idaho regarding water assessments levied against corporate stock and the land to which said stock is pertinent. A lien may be placed on the land pertinent to said stock if an assessment is delinquent. The Board of Directors shall have the power to discontinue services to a lot where assessments, or water user rates, are 60 days delinquent, after three days written notice of termination has been delivered or posted on the property.

Section 4. Rates. The Board of Directors shall have the power and authority to set rates based upon the estimated cost of operation for the year plus any deficit or minus any surplus for the prior year, plus funding needed for repairs and capital improvements. No charge for monthly water use rate shall be made to any lot until such time as a water hook-up has been made to serve such property. The directors shall have the power to set the connection and turn on fees.

Section 5. Hook ups. No hook-up can be made until the Application for Hook-up form is completed, all back assesments and current hook-up fees have been paid, and arrangements satisfactory to the Board of Directors have been met. A three/ fourths inch line will be standard for all new hookups. The Corporation will supply water from the closest available water line, to the property line. Only one (1) resident will be allowed on each hook-up.

Article IV: Amendments

Section 1. Amendments. These by laws may be amended at any meeting of the stockholders after notice of such meeting and its purpose has been given in writing to the stockholders of record at least (30) thirty days prior to such meeting. Such notice shall contain a concise statement of the nature of the proposed amendment or amendments, and such amendment or amendments must be approved at such meeting by a simple majority of the outstanding stock of the corporation or by sixty (60) percent of the stockholders represented at the meeting (in person or by proxy.)

Article V : Seal

Section 1. The corporate seal of this corporation shall be an imprint of two concentric circles between which shall appear the name of the corporation, the state of incorporation and in the middle of which shall appear the words "Corporate Seal". A specimen of said seal is affixed on the left margin.

IN WITNESS WHEREOF, the President and Secretary affirm that the foregoing amendments
were duly adopted by the stockholders at the meeting held February 15, 1996.

President ______________________

Attest:

____
Secretary