

AMENDMENT

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ARTICLES OF AMENDMENT AND RESTATEMENT
of
THE ARTICLES OF INCORPORATION
OF SMITHFIELD IRRIGATION COMPANY

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MAY 10 2016

Utah Div. of Corp. & Comm. Code

Pursuant to Sections 16-6a-101, et seq., of the Utah Revised Nonprofit Corporation Act, and on the recommendation of the Board of Directors, the members adopt the following Amendment and Restatement of the Articles of Incorporation of the Smithfield Irrigation Company.

MTM

FIRST: The name of the Company is SMITHFIELD IRRIGATION COMPANY;

SECOND: The attached *Amended and Restated Articles of Incorporation of Smithfield Irrigation Company* contain the full text of the Amended and Restated Articles of Incorporation;

THIRD: The attached Amended and Restated Articles of Incorporation of the Smithfield Irrigation Company were duly adopted by the members of the Company at the duly called annual meeting of the members, held on the 12th day of April, 2016. The number of votes cast by the members in favor of the amendments to the Company's Articles of Incorporation was sufficient for approval of the Amended and Restated Articles of Incorporation by the members.

IN WITNESS WHEREOF, this Amendment and Restatement of the Articles of Incorporation of the Smithfield Irrigation Company is duly adopted by the members of the corporation at a duly noticed meeting of the members of Smithfield Irrigation Company held this 12th day of April, 2016.

Patrick L. Draper
Patrick L. Draper, President
Smithfield Irrigation Company

Attest:

LuAnn Hansen
LuAnn Hansen, Secretary

State of Utah
Department of Commerce
Division of Corporations and Commercial Code
I hereby certified that the foregoing has been filed
and approved on this 10 day of May 2016
in this office of this Division and hereby issued
This Certificate thereof.

Examiner h Date 5-11-16



Kathy Berg
Kathy Berg
Division Director

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AMENDED AND RESTATED ARTICLES OF INCORPORATION
of
SMITHFIELD IRRIGATION COMPANY



The members of Smithfield Irrigation Company hereby adopt the following Amended and Restated Articles of Incorporation this 12th day of April, 2016.

ARTICLE I – CORPORATE NAME

The name of this Company is the **Smithfield Irrigation Company**.

ARTICLE II – PERIOD OF DURATION

The period of duration for this Company is perpetual, unless sooner terminated in the manner provided by law.

ARTICLE III – POWERS AND PURPOSES

The Company is a nonprofit mutual water company that operates a water system for the benefit of holders of membership shares of the company (“**Members**,” or individually, “**Member**”). The Company may engage in any act or activity allowed by law in accordance with the provisions of the Utah Revised Nonprofit Corporation Act, as amended, specifically including the acquisition, diversion, conveyance, and distribution of water to its Members and to provide for the continuation of the rights and interests of the Company, its predecessor entities, and Members of such entities by continuing, replacing, and/or acting as the successor-in-interest to such entities.

With respect to such purposes: (1) no part of the net earnings of the Company shall inure to the benefit of, or be distributed to, its directors, officers, members, or other private persons, except that the Company shall be authorized and empowered to pay reasonable and customary compensation for services rendered to the Company by employees or contractors and to make payments and distributions in furtherance of the purposes set forth herein; (2) no substantial part of

the activities of the Company shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Company shall not participate in, or intervene in (including publishing or distribution of statements) any political campaign on behalf of any candidate for public office, except as authorized under the Internal Revenue Code of 1954, as amended; and (3) the Company shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal income tax under Section 501(c) of the Internal Revenue Code of 1954, as amended (or the corresponding provision of any future United States Internal Revenue Code).

ARTICLE IV – MEMBERS AND MEMBERSHIP SHARES

This corporation shall have members. The eligibility, rights, and obligations of the members will be determined by these Articles and the Company's bylaws ("**Bylaws**"). The Company shall issue shares of stock evidencing membership therein. The total number of Shares in the Company is flexible and may change according to the capacity of the Company's water systems as more specifically set forth below. The aggregate number of shares which the Company shall be authorized to issue shall be no more than 5,000 shares of class A Common stock and no more than 2,000 shares of each of Class B, C, D, E, F, G, and H stock ("**System Stock**"). The shares of stock are classified as follows:

1. CLASS A – Common Stock and Water Entitlement
2. CLASS B – South Smithfield Distribution System
3. CLASS C – Brickyard Distribution System
4. CLASS D – West Distribution System
5. CLASS E – City Distribution System
6. CLASS F – Ditch (nonpressurized) Distribution System
7. CLASS G – Potential Future Class G System

8. CLASS H – Potential Future Class H System

Class A shares shall be issued to represent the shareholder's proportionate ownership interest in the assets of the Company, subject to additional limitations as set forth in the Bylaws. Classes of stock other than Class A shall constitute System Stock, which are related to specific segments of the Company. System Stock shall be issued to users subject to additional limitations as set forth in the Bylaws. The Board may, in its sole discretion, cancel System Stock in circumstances where the holder of such stock does not also hold or have rights to use Class A stock.

Only Class A shares shall have voting rights except with respect to the election of a director associated with a specific class of System Stock for which holders of that class of System Stock shall be entitled to vote as set forth in the Bylaws.

ARTICLE V – SHARES APPURTENANT TO LAND

All System Stock shall be deemed to be appurtenant to the land described on the records of the Company, and a member shall not be entitled to separately convey or transfer ownership of System Stock off the land without the express written approval of the Board of Directors of the Company. Each share certificate for System Stock shall bear a caption noting this appurtenance.

ARTICLE VI – SHARE ASSESSMENTS & WATER SERVICE FEES

All Shares shall be fully assessable for the purpose of paying their proportionate share of all lawful obligations of the Company, including, without limitation, operating, maintaining, developing, and managing the facilities used to divert and convey water from any water source within the Company to water storage facilities, or to the place of use, and for the operation, maintenance, development, and management of facilities utilized to divert, store and distribute water, and to pay their proportionate share of the general administrative expenses incurred in the operation of the Company. Assessments shall be levied and provisions made for the collection of all

delinquent assessments as provided in the Bylaws, Rules and Regulations, or as may be adopted in accordance with state law by the Company from time to time.

Each class of stock may be assessed at its own rate, which may differ from class to class. The amount assessed per Share shall be equal and pro-rata within each class of Shares, except that special assessments may be levied on an equitable but unequal basis, at the discretion of the Board, in situations where expenditures are made or are necessary for purposes that are of benefit to only a part of the members, or where existing or future contracts with the United States, the State of Utah, or any other lending institutions or agencies, or the laws or regulations of such institutions or agencies or other contracting parties, now or hereafter, require unequal assessments, or where unequal assessments are required or permitted by the terms or conditions of any contract between the Company and any of its members.

ARTICLE VII – BOARD OF DIRECTORS

This Company shall be governed by a Board of Directors. The Board of Directors shall consist of at least five (5) directors. Each director shall be either a Member of the Company owning at least one (1) Class A share in the Company, or a duly appointed representative of a Member owning at least one (1) Class A share in the Company if the Member is not a natural person.

The Board of Directors is hereby empowered to enact and amend the Company's Bylaws, which may define and fix the duties and responsibilities of the Company's Directors and Officers, and may also contain any other provisions for the regulation of the business and affairs of the Cooperative that are not inconsistent with these Articles or the laws of the State of Utah Law. The Board of Directors also has the power to adopt Rules and Regulations for the proper conduct of its affairs, not inconsistent with these Articles, the Bylaws, or the laws of the State of Utah, for the management, administration, and regulation of the business and the affairs of the Company.

Pursuant to Utah Code Annotated section 16-6a-801, the Board of Directors may authorize persons other than the Board of Directors to have the authority and perform a duty of the Board of Directors and the directors shall be relieved to that extent from such duty. This includes using a written contract to delegate to a professional management organization or individual such managerial duties, responsibilities, functions, and powers as are properly delegable.

The holders of Class B, C, D, E, F, G, and H are hereby empowered, at their discretion, to elect an Executive Committee for each such Class.

ARTICLE VIII – INCORPORATOR

The names and addresses of the original incorporators of the Company are as indicated in the original corporate filing, filed on or about November 13, 1914.

ARTICLE IX – CURRENT REGISTERED AGENT

The registered agent of the Company and his address as of the date of these Amended and Restated Articles of Incorporation is:

Patrick L. Draper
340 East 200 North
Smithfield, Utah 84335


(Signature of Registered Agent)

ARTICLE X – PRINCIPAL OFFICE

The location of the principal office of the Company as of the date of these Amended and Restated Articles of Incorporation is:

Smithfield Irrigation Company
P.O. Box 41
27 W Center Street
Smithfield, UT 84335

ARTICLE XI – SHAREHOLDERS AND DIRECTORS NOT LIABLE

Officers, directors, and members are not liable under a judgment, decree, or order of a court, or in any other manner, for a debt, obligation or liability of the Company, and the private property of a director, officer or member of the Company shall not be subject to a debt or obligation of the Company.

ARTICLE XII – DISSOLUTION


The Company may be dissolved upon the consent of two-thirds (2/3) of the shareholders present at the annual meeting, or at any special meeting called for this purpose. In the event of dissolution, each member of the Company shall, except where dissolution is effected in consequence of planned transfer of assets to a governmental entity obligated to continue water service to the members, receive his proportionate share of the Company's property based upon their legal interests as they may appear, after paying or providing for the payment of all debts of the Company. If dissolution is effected in consequence of a member-approved transfer of assets to a governmental entity that will be obligated to continue water service to the members, then no member shall have any right to a proportionate share of the Company's property upon dissolution, but each member shall be entitled only to continuation of water service commensurate to his membership interest in the Company.

ARTICLE XIII – AMENDMENTS

These Amended and Restated Articles of Incorporation, the Company's Bylaws, and any Rules and Regulations may be amended at any time and in any manner which is permissible under the laws of the State of Utah; provided, however, that these Articles shall not be amended so as to change this Corporation from a non-profit corporation to a corporation organized or operated for

pecuniary profit; nor shall these Articles be amended so as to make the purposes of the Corporation inconsistent with the purposes as specified in Article III above.

IN WITNESS WHEREOF, these Amended and Restated Articles of Incorporation of the Smithfield Irrigation Company are duly adopted by the members of the corporation at a duly noticed meeting of the members of Smithfield Irrigation Company held this 12th day of April, 2016.




Patrick L. Draper, President
Smithfield Irrigation Company

Certificate of Secretary

I hereby certify that the foregoing *Amended and Restated Articles of Incorporation of the Smithfield Irrigation Company* were duly adopted by the Company's members at a duly called meeting of the Company's members on the 12th day of April, 2016. The number of votes cast by the members in favor of the *Amended and Restated Articles of Incorporation* was sufficient for approval thereof by the members.

DATED this 12th day of April, 2016.


LuAnn Hansen, Secretary
Smithfield Irrigation Company