



Trout Canyon Land and Water Users Association

CERTIFICATE OF INCORPORATION FOR

Trout Canyon Land and Water Users Association

We, the undersigned, citizens of the United States of America and residents of the State of Nevada, in order to form an association for the advancement of the civic interests and purposes hereinafter stated, under and pursuant to the provisions of Nevada Revised Statutes (NRS) 81.350 to 81.400, inclusive do hereby certify as follows:

ARTICLE I

The name of the Association is Trout Canyon Land and Water Users Association.

ARTICLE II

This Association is a nonprofit corporation, organized solely for the advancement of civic, commercial, industrial and agricultural activities.

ARTICLE III

The objects and purposes for which this Association is formed and its powers are:

A. To acquire, maintain, and operate a community water system and such other improvements as may be necessary and proper for the benefit of Trout Canyon Land and Water Users in Trout Canyon Nevada, and to engage in any lawful activity, subject to expressed limitations.

B. To receive grants and other funds; to borrow money either upon or without security; to give a lien on any of its property as security therefore in any manner permitted by law; to give such promissory notes or other evidences of indebtedness and such pledges, mortgages or other instruments of hypothecation as it may be advised.

C. To act as the agent or representative of any member or members, or patron or patrons, in any of the above-mentioned activities.

D. To adopt by-laws prescribing the duties of the officers and agents of the corporation, the detail of the organization, the time and manner of its meetings, and any and all detail incidental to its organization and the efficient conduct and management of its affairs.

E. To establish reserves and to invest the funds thereof as may be provided in the By-laws.

F. To buy, sell, lease, hold, receive, acquire, manage, administer, expend, and exercise all privileges of ownership over such real or personal property and funds as may be necessary or convenient for the conduct and operation of any of the general or specific business of the Association or incidental thereto.

G. To hold, in its own name and right, real and personal property of every nature and description without limitation as to extent, character or amount and with all the powers of control, management, investment, change and disposal incidental to the absolute ownership of property or funds by a private person, subject only to the terms of any particular trusts.

H. To take property by will, gift or otherwise for the general and specific purposes of the corporation, when the donor specifies the use of the property it shall be used for that purpose only, or returned to donor.

I. To levy assessments in the manner and in the amount as may be provided in the By-laws of the Association.

J. To have and exercise all powers, rights, and privileges conferred on corporations or on natural persons by the laws of this State and all powers and rights necessary, incidental, desirable or conducive to carrying out the objects and purposes for which this Association is formed, except such as are inconsistent with the express provisions of the act under which it is incorporated, and except such as are inconsistent with the provisions of these articles, The foregoing shall be construed both as purposes, objects, and powers and the enumeration thereof shall not be construed to limit or restrict, in any manner, the general powers conferred on this Association by the laws of this State, all of which are claimed excepting only those expressly disclaimed.

L. To conduct business as a nonprofit organization organized for charitable, educational, or other purposes as defined under Section 501 (c) (3) of the IRS Code.

M. The Organization is strictly prohibited from undertaking any activity that is specifically not permitted under by a tax exempt organization under IRS Code.

ARTICLE IV

The principal office for the transaction of business of this Association shall be located in accordance with the By-laws.

ARTICLE V

The term of existence of this Association is perpetual.

ARTICLE VI

The number of Trustees, each of whom may or may not be a member of this Association, shall be five, and the names and addresses of those who are to serve initially as the Board of

trustees until their successors are elected and qualified are:

<u>Names</u>	<u>Addresses</u>
Robert McCormick	Henderson, NV
John Stelmaszczyk	Trout Canyon, NV
Dianne Lutes	Trout Canyon, NV
Debbie Deborah J Mallory	Trout Canyon, NV
Ron Love	Trout Canyon, NV

At the first annual meeting of the members by majority votes of the active members in attendance, two trustees shall be elected for a term of two years, and three for a term of three years. At each annual meeting after the second and annually thereafter the members shall elect by majority vote of the active members in attendance, for a term of two years, the number of Trustees whose term of office has expired.

ARTICLE VII

This Association shall not issue capital stock. Membership shall be acquired through the purchase of a connection to the water system of this Association. Each membership is transferable subject to such conditions and limitations as may be provided by the By-laws. Membership may be lost by failure to pay for the water service supplied by this Association or to meet and pay any or all of its lawful assessments. Membership in the Trout Canyon Land and Water Users Association shall be divided into two classes:

Active and Voting: This class shall consist of members who own property in Trout Canyon and are in good standing with the association having paid any and all lawful assessments of the Association at the call for annual meeting, a special meeting, or any other occasion wherein a vote of the membership may be necessary or called for.

Inactive: This class shall be those members who have at one time qualified as members but who are more than three months delinquent in any billing of the Association. Inactive members shall not be entitled to vote, nor receive the services of the Association.

ARTICLE VIII

The Association shall not declare dividends and no part of the net earnings shall inure to the benefit of any individual Member.

ARTICLE IX

The officers of this Association shall consist of a President, 1st Vice President, 2nd Vice President, Secretary, and Treasurer, all of whom shall be elected from among the Board of Trustees.

ARTICLE X

In addition to the powers enumerated in Article II, this Association shall have the power to levy

assessments upon its members as necessary to pay for the construction, operation, and maintenance of a water system and infrastructure for the Trout Canyon Residential Area in unincorporated Clark County, Nevada, and it shall have the power to sue and be sued in its corporate name.

ARTICLE XI

The total amount of indebtedness direct or contingent to which this Association shall be subject at any one time shall be as determined by the Board of Trustees on a vote of at least four members.

ARTICLE XII

The private property of the members and officers of this Association shall be exempt from all corporate debts of every kind whatsoever.

Article XIII

If it is decided to dissolve the nonprofit organization in future, the Assets of the Nonprofit organization shall only be disposed off to another Nonprofit organization(s) which is a 501(c)(3) exempt organization at the time of such a dissolution.

ARTICLE XIV

Each active member is entitled to one and only one vote on any and all occasions except as provided in this Article and the By-Laws of the Association. Proxy voting shall be allowed under any circumstances wherein the member giving the proxy could have voted if present in person. The Board of Trustees by simple majority may vote all unassigned proxies granted to the Board. However, save and except those proxies granted to the Board, no member shall be allowed to vote more than his own vote and the votes of two other members given by proxy.

ARTICLE XV

The Association is restricted from undertaking any activity aimed at propaganda or at attempting to influence legislation through lobbying or political campaigning.

ARTICLE XVI

Due to possible conflicts of interest, an employee cannot serve as a Board Member.