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BYLAWS
OF
MOUNTAIN CANAL IRRIGATION ASSOCIATION

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Article I

Office

The governing board of the corporation shall maintain a principal office. The location of the principal office may be changed by the governing board.

The location of the principal office of the corporation shall, unless otherwise designated, be the residence address of the Secretary-Treasurer of the corporation.

Article II

Members' Meetings

Section 1: Annual Meeting. The annual meeting of the members of the corporation shall be held on the first Tuesday in the month of March in each year, beginning with the year 1976, at the hour of 7:00 o'clock P.M., for the purpose of electing Trustees and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Utah, such meeting shall be held on the next succeeding business day. If the election of Trustees shall not be held on the day designated herein for any annual meeting of the members, or at any adjournment thereof, the governing Board of Trustees shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

Section 2: Special Meetings. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the governing Board of Trustees and shall be called by the President at the request of the holders of not less than one-tenth of all outstanding shares of Class I members of the Corporation.

Section 3: Place of Meeting. The governing Board of Trustees may designate any place, within Ogden Valley, Utah as the place of meeting for any annual meeting or special meeting of members.

Section 4: Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten or more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary-Treasurer, or the officer or persons calling the meeting, to each member of record. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the stock transfer books of the corporation, with postage thereon prepaid.

Section 5: Quorum. The Class I members of the corporation present in person or represented by proxy, shall constitute a quorum at any meeting of members.

Section 6: Proxies. At all meetings of members, a Class I member may vote by proxy executed in writing by the member or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary-Treasurer of the corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

Section 7: Voting of Shares. Each outstanding share of stock held by Class I members of the corporation shall be entitled to one vote upon each matter submitted to a vote at a meeting of members.

Section 8: Informal Action by Members. Any action required to be taken at a meeting of the members or any other action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

Article III

Trustees and Governing Board

Section 1: Number, qualifications and term of office. The affairs of the corporation shall be managed by a governing board of five trustees, who shall be Class I members of the corporation. The term of office shall be two calendar years.

Section 2: Successor Trustees. On the expiration of trustees' terms of office, or if any vacancies shall occur by reason of resignation, death, increase in number of trustees, or otherwise, a majority of the then trustees or the remaining trustee shall elect a successor trustee or trustees to serve on the governing board of the corporation. In the case of vacancies on the board, such election shall be only for the unexpired term. A majority of the governing board may declare vacant the office of a trustee who is declared of unsound mind by an order of a court.

Section 3: Compensation. The Trustees shall fulfill the duties of their offices without compensation. A trustee may serve the corporation in a capacity other than a trustee and receive compensation for services rendered in such other capacity.

Section 4: Resignation. A trustee may resign at any time by delivering written notification thereof to the President or Secretary-Treasurer of the corporation. Resignation shall become effective upon its acceptance by the Board of Trustees; provided, however, that if the Board of Trustees has not acted thereon within ten days from the date of its delivery, the resignation shall upon the tenth day be deemed accepted.

Article IV

Meetings of the Governing Board

Section 1: Place of meetings. The meetings of the governing board may be held at any place within or without the State of Utah.

Section 2: Annual meetings. The trustees shall meet annually on the first Tuesday of March, immediately following the annual meeting of members of the corporation and at the same place to consider the business and affairs of the corporation and to elect officers.

Section 3: Special meetings. Special meetings of the governing board may be called at any time by the President or any three trustees.

Section 4: Notice of meetings. Notice of the annual meeting of the governing board need not be given. Notice of each special meeting setting forth the time and place of the meeting shall be given to each trustee at least three days before the meeting. This notice may be given either personally or by telephone or by sending a copy of the notice through United States mail or by telegram, charges prepaid to the address of each trustee.

Section 5: Waiver of Notice. A trustee may waive notice of any meetings of the governing board either before or after the meeting and his waiver shall be deemed equivalent to notice. The attendance of a trustee at a meeting shall constitute waiver of notice of that meeting unless he attends for the express purpose of objecting to the transaction of business because the meeting has not been lawfully called or convened.

Section 6: Quorum. At meetings of the governing board a majority of the trustees in office shall be necessary to constitute a quorum for the transaction of business. If a quorum is present the act of a majority of those present shall be the act of the corporation.

Section 7: Informal action. If all of the trustees severally or collectively consent in writing to any action taken or to be taken by the corporation and the writing or writings acknowledging their consent are filed with the Secretary-Treasurer of the corporation, the action shall be valid as though it had been authorized by a meeting of the governing board.

Article V

Officers, Agents and Employees

Section 1: Officers. Executive officers of the corporation shall be elected by the governing board from among the members of the governing board and shall consist of a President, Vice-President, and Secretary-Treasurer, provided, however, that the governing board shall have the right to appoint a Secretary-Treasurer who need not be a member of the corporation or its governing board. Other officers, assistant officers, agents and employees that the governing board may deem necessary may be elected by the governing board or be appointed in a manner prescribed by the Board, as circumstances require.

Section 2: Election and term of office. The governing board shall at their annual meeting elect a President, Vice-President, and Secretary-Treasurer to serve for a term of two calendar years, and until their successors are elected.

Section 3: Resignations. Any officer may resign at any time by delivering a written resignation to either the President or Secretary-Treasurer unless otherwise specified therein, such resignation shall take effect upon delivery.

Section 4: Vacancy. When a vacancy occurs in one of the executive offices by death or resignation or otherwise, it

shall be filled by the governing board. The officer so selected shall hold office for the unexpired term and until his successor is elected.

Section 5: Removal of officers and agents. An officer or agent of the corporation shall be removed by a majority vote of the governing board whenever, in their judgment, the best interests of the corporation will be served by such removal. Removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 6: Salaries. No officer shall receive a salary, but the Secretary-Treasurer may be paid for actual services rendered and the remuneration shall be determined by the governing board.

Section 7: President's powers and duties. The President shall be chief executive officer of the corporation and shall have general supervision of the affairs of the corporation. He shall preside at meetings of the governing board and shall give a report of the activities of the corporation for the preceeding year at each annual meeting and shall perform whatever duties the governing board may from time to time prescribe.

Section 8: Vice-President's powers and duties. The Vice-President shall in the absence or disability of the President perform the duties and exercise the powers of the President. He also shall perform whatever duties and have whatever powers the governing board may from time to time assign to him.

Section 9: Secretary-Treasurer's powers and duties. The Secretary-Treasurer shall keep or cause to be kept a true and complete record of the proceedings of the meetings of the governing board. He shall give or cause to be given notice of all meetings of the governing board and shall perform whatever additional duties the governing board and the President may from time to time prescribe. He shall also receive and shall deposit all corporate moneys and other valuable effects in the name and to the credit of the corporation in a depository or depositories designated by the governing board. He shall disburse the funds of the corporation and shall keep a full and accurate record of all receipts and disbursements and render to the President or the governing board whenever they may require an account of his transactions as Treasurer and of the financial condition of the corporation.

Article VI

Executive Committees

Section 1: Appointment. At the direction and in the discretion of the President, an executive committee or committees made up of one or more trustees of the governing board and/or non-trustee members of the corporation may be appointed at the annual meeting for a term of one year. The President shall appoint a chairman of each committee so organized.

Section 2: Duties. The duties of each executive committee shall be determined by the President.

Article VII

Contracts, Loans, Checks and Deposits

Section 1: Contracts. The Board of Trustees may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2: Loans. No loan or advances shall be contracted on behalf of the corporation, no negotiable paper or other evidence of its obligation under any loan or advance shall be issued in its name, and no property of the corporation shall be mortgaged, pledged, hypothecated or transferred as security for the payment of any loan, advance, indebtedness or liability of the corporation unless and except as authorized by the Board of Trustees. Any such authorization may be general or confined to specific instances.

Section 3: Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the corporation shall be signed by the President and Secretary-Treasurer of the corporation. Endorsements for deposit to the credit of the corporation in any of its duly authorized depositories shall be made in such manner as the Board of Trustees from time to time may determine.

Article VIII

Certificates for Shares and Their Transfer

Section 1: Certificates for Shares. Certificates representing shares of the corporation evidencing membership as Class I and/or Class II members shall be in such form as shall

be determined by the Board of Trustees of the corporation. Such certificates shall be signed by the President or Vice-President and by the Secretary-Treasurer. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the corporation. All certificates surrendered to the corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in case of a lost, destroyed or mutilated certificate, a new one may be issued therefore upon such terms and indemnity to the corporation as the Board of Trustees may prescribe.

Section 2: Transfer of Shares. Transfer of shares of the corporation shall be made only on the stock transfer books of the corporation by the holder of record thereof or by his legal representative, who shall furnish proper evidence of authority to transfer, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary-Treasurer of the corporation, and on surrender for cancellation of the certificate for such shares. Shares shall be transferable only with the approval of a majority of the Board of Trustees and in no event shall Class I shares be transferred for purposes of obtaining a well permit or for other similar purposes which would sever the water right from the real property benefitted thereby and in no event shall Class II shares be transferred so as to permit water rights evidenced thereby to be used outside the water distribution

system of the corporation. However this section does not prohibit shareholders of Class II stock from trading shares for well permits, sale or other means of disposal where such action does not adversely effect the corporation. The person in whose name shares stand on the books of the corporation shall be deemed by the corporation to be the owner thereof for all purposes.

Section 3: Authorized Owners. Not with standing anything herein to the contrary, the corporation may issue shares of stock evidencing Class I membership in the corporation only to persons who are owners or successors in interest to owners of the 589½ shares of stock originally issued by the corporation upon its organization. Stock issued to all other individuals shall evidence Class II membership in the corporation and shall carry no voting rights.

Section 4: Transfer Fee. The Board of Trustees shall have the power to require payment of a fee for the transfer of stock of the corporation. Such transfer fee shall be payable to the Secretary-Treasurer of the corporation at the time of transfer and shall be in such amounts as the Board of Trustees shall from time to time specify.

Article IX

Assessment of Stock

Section 1: Assessment of Classes of Stock. The assessment of both classes of stock of this corporation shall be equitable, as determined by the Board of Trustees, but need not be equal. In making such assessments, the Board of Trustees shall take into consideration the purpose of use of the water, the flow of water in the ditches, the sources of such water, and the cost of constructing, operating, and maintaining the water facilities involved in making delivery of water. Class I stock and Class II stock shall be equitably assessed for general corporate purposes, including, but not limited to, expenses of administration of the company water systems and of constructing, reconstructing, operating, and maintaining facilities used by both classes of stock. Only Class II stock shall be assessed to pay the charges to the Company for Weber Basin project water and water purchased by this corporation for use of Class II stockholders.

Section 2: Labor and Cash Assessments. Assessments for the cleaning, repair and maintenance of ditches and canals may be paid in cash or labor as determined by the Board of Trustees. The board shall have full authority to determine the value of labor and the extent, places, and nature of the work to be performed to pay such assessments.

Section 3: Collection of Assessments. All costs of collection of delinquent assessments, including, but not limited to, the writing of letters, and the preparation and publication of delinquent lists and notices, shall be charged against the holders of delinquent stock and added to the assessment.

Article X

Indemnification

Section 1: Indemnification. No officer or trustee shall be personally liable for any obligations of the corporation or for any duties or obligations arising out of any acts or conduct of said officer or trustee performed for or on behalf of the corporation. The corporation shall and does hereby indemnify and hold harmless each person and his heirs and administrators who shall serve at any time hereafter as a trustee or officer of the corporation from and against any and all claims, judgments and liabilities to which such persons shall become subject by reason of his having heretofore or hereafter been a trustee or officer of the corporation, or by reason of any action alleged to have been heretofore or hereafter taken or omitted to have been taken by him as such trustee or officer, and shall reimburse each such person for all legal and other expenses reasonably incurred by him in connection with any such claim or liability, including power to defend such person from all suits or claims as provided for under the provisions of the Utah Non-Profit Corporation Act or the Utah Business Corporation Act; provided, however, that no such person shall be indemnified against, or be reimbursed for, any expense incurred in connection with any claim or liability arising out of his own negligence or willful misconduct. The rights accruing to any person under the foregoing provisions of this section shall not exclude any other right to which he may lawfully be entitled, nor shall anything herein contained restrict the right of the corporation to indemnify or reimburse such person in any proper case, even though not specifically herein provided for. The corporation, its trustees, officers, employees and agents shall be fully protected in taking any action or making any payment, or in refusing so to do in reliance upon the advice of counsel.

Section 2: Settlement by Corporation. The right of any person to be indemnified shall be subject always to the right of the corporation by its Board of Trustees, in lieu of such indemnity, to settle any such claim, action, suit or proceeding at the expense of the corporation by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.

Article XI

Miscellaneous Provisions

Section 1: Amendments. The governing board and the Class I members of the corporation shall have the power to amend

or repeal these Bylaws or to adopt a new code of Bylaws. A majority vote of the governing board and of the Class I members of the corporation present at a meeting called for such purpose shall be necessary to exercise this power.

Section 2: Changes in Waterworks. No member of the corporation shall have the right to make any extension, change or alteration of the existing canals, ditches, headgates or other waterworks of the corporation unless prior written approval of the Board of Trustees of the corporation is obtained.

Section 3: Map showing Corporation Canals and Ditches. There is attached hereto a map showing the corporation canals, ditches and other distribution and control facilities.

ADOPTED this 11th day of March, 1986.

MOUNTAIN CANAL IRRIGATION ASSOCIATION

By: Ralph A. Hansen President

By: Max H. Dalton Secretary