

Articles of Agreement

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Incorporating  
UTAH LAKE  
DISTRIBUTING COMPANY

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As Amended  
July 7, 1917

STATE OF UTAH, {  
COUNTY OF UTAH, } ss.

Know All Men by These Presents:—

That the undersigned have this day voluntarily associated themselves together with the purpose of forming a corporation under the laws of the State of Utah and have adopted and by these presents do adopt the following articles of agreement, to-wit:

ARTICLE I.

Name

The corporation hereby created shall bear the name of **Utah Lake Distributing Company**, and is organized in the City of Provo, County of Utah, State of Utah.

ARTICLE II

Duration

The duration of this company's existence shall be for one hundred years from and after the date of its incorporation, unless sooner dissolved pursuant to law.

### ARTICLE III

#### Object

The object, business and pursuit of this corporation shall be, to supply water for domestic and irrigating purposes; to appropriate, buy, own and sell water and water rights to construct, buy, own, sell, maintain and operate pumps, pipe lines, canals, laterals and reservoirs; to buy, sell and hold shares of the capital stock and the bonds of any other similar corporation or corporations; and to buy, own, lease, sell, mortgage or bond its property.

### ARTICLE IV

#### Place of Business

The place of general business of this corporation shall be in the City of Provo, County of Utah, State of Utah.

### ARTICLE V.

#### Capital Stock

(a) The amount of capital stock of this corporation shall be one hundred and fifty thousand (150,000) dollars, divided into thirty thousand (30,000) shares of the par value of five (5) dollars per share. The said stock shall consist of one (1) class to be designated GENERAL STOCK, two (2) additional classes to be known as GENERAL STOCK-EARLY WATER RIGHT and GENERAL STOCK-LATE WATER RIGHT, respectively, and three (3) additional classes to be designated by the name of the district and the terms FULL WATER RIGHT, EARLY WATER RIGHT and LATE WATER RIGHT, respectively, for each district into which this company's canal system may be segregated by its board of directors under authority so to do hereby granted. The ownership of stock of this company of the various classes herein fixed shall entitle the holder thereof to the rights and privileges hereinafter set forth.

(b) Any shares of the capital stock of this company which at any time may be or come into the possession of the company, or subject to the disposition of its board of directors, may be disposed of and used by the board of directors of this company for the uses and purposes of this corporation, at such time or times, upon such terms, and to such persons or corporations as the board of directors may deem expedient.

### ARTICLE VI.

#### Incorporators

The names of the incorporators, their places of residence, and the amount and kind of the capital stock subscribed for by each, are as respectively set forth, to-wit:

Name	Residence	Number of Shares	Class of Stock
Utah Lake Irrigation Co.	Provo	2000	General
Joseph R. Murdoch	Heber	1	General
A. J. Evans,	Lehi	1	General
S. L. Chipman,	Am. Fork	1	General
J. W. W. Fitzgerald,	Draper	1	General
Joseph B. Keeler,	Provo	1	General
Francis W. Kirkham,	Salt Lake	1	General
Edward Southwick,	Lehi	1	General
Total,		2,007	

In consideration of the cash paid or of the conveyance of water rights and of the promises and agreements contained in Article Twelve hereof, the shares of stock subscribed as hereinbefore set forth are declared to be full-paid.

## ARTICLE VII.

### Liability of Stockholders

The private property of the stockholders shall not be liable for the debts and obligations of the Company.

## ARTICLE VIII

### Officers and Directors

The number and kind of officers of this Company shall be as follows, to-wit:

A Board of seven directors; also, a president, a vice-president, a secretary and treasurer who shall each have such authority and perform such duties as shall appertain to his office in similar associations, or such as may be prescribed by the Board of Directors.

(a) The directors and officers appointed to act until the election and qualification of their successors, unless previously they shall be removed or replaced or shall resign, are as follows, to-wit:

Joseph R. Murdock, A. J. Evans, S. L. Chirman, J. W. W. Fitzgerald, Joseph B. Keeler, Francis W. Kirkham, and Edward Southwick shall be directors; Joseph R. Murdock shall be President; A. J. Evans shall be Vice-President; and Royal J. Murdock shall be Secretary and Treasurer.

(b) The first election of directors shall occur at the annual meeting of the stockholders to be held in the month of January, 1913.

(c) A Director of this Company shall hold in his own right, at least one share of the capital stock of the Company, or be an officer or stockholder of a corporation owning shares of the stock of this corporation.

(d) Directors shall be elected for one year and until their successors are duly elected and qualified, except as hereinafter otherwise provided.

(e) All officers chosen or appointed by the Board of Directors shall hold office during

the pleasure of the Board.

(f) Any director or other officer may resign upon written notice to the President or to the Secretary.

(g) Any vacancy caused by the death, resignation, removal, or disability of any Director shall be filled by the Board of Directors until the next regular meeting of the stockholders for the election of a Board of Directors.

(h) Any director may be removed from office upon a majority vote of the class or classes of capital stock by which he was elected, represented at a meeting called and held for that purpose, upon ten days' previous notice to the person whom it is proposed to remove, and to each stockholder, of such proposed action, and such notice may be given either by publication in some daily newspaper having a general circulation in the County and State of Utah, or by mail, as may be designated by the authority calling the meeting.

(i) A majority of the Board of Directors shall be necessary to form a quorum, and are authorized to transact the business and to exercise the corporate powers of the Company.

## ARTICLE IX

### Stockholders' Meetings

(a) There shall be a regular meeting of the stockholders of this corporation for the election of directors and the transaction of any other business that lawfully may come before it on the third Saturday in January, 1913, and annually thereafter, at such place in either the County of Utah or the County of Salt Lake, in the State of Utah, and at such hour as may be fixed by the Board of Directors of this corporation and designated in the call for the meeting, a copy of which call shall be mailed, postage prepaid, to each stockholder of record of this corporation on the day of mailing at his last known postoffice address, not less than ten (10) days prior to the date fixed for such meeting.

(b) On all questions that may arise at any

## ARTICLE X.

### Assessments

The general capital stock of this company of all classes shall be and remain non-assessable for any purpose whatever, but the Board of Directors of this company shall have power to levy assessments upon its district capital stock of all classes, for the purposes and under the rules and regulations hereinafter stated. to-wit:

(a) To meet the cost of operating and maintaining the company's pumping plant and canal system and the distribution of water therefrom and the other expenses of carrying on and transacting the business of the company, including the maintenance of its corporate existence, and any debts arising from any of said matters; (but not including the cost of the power used by the company in its operation or charges for water delivered into the company's canal) each share of district stock of each district of each class shall be equally assessable for one, for any, or for all the objects mentioned; but any such assessment levied on the stock of the several districts may vary between the districts as the cost of effecting either, any, or all of said objects may be determined by the Board of Directors of this company to differ among the several districts.

(b) To meet the charges for power used by this company and for water delivered into its canals, and debts arising therefrom, the total amount of such charges for water delivered to each level on which this Company's canals are constructed shall be apportioned by the Board of Directors of this company between the several districts into which each such canal of this company may be segregated as above provided, in the same ratio that the sum of the amount of water delivered to water users diverting from the portion of the company's canal within such district and the amount of water determined by the Board of Directors of this company to have been lost by seepage and evaporation within such district

stockholders' meeting each holder of (General Stock and each holder of District Stock-Full Water Right shall be entitled to one vote for each share of such stock so held by him in his own name or in trust for others, and each holder of District Stock-Early Water Right, District Stock-Late Water Right, General Stock-Early Water Right and General Stock-Late Water Right shall be entitled to one-half (1-2) vote for each share of such stock so held by him in his own right or interest for others. Any such votes may be given in person, by an authorized agent, or by written proxy.

(c) The president of each district corporation created in accordance with the provisions of these Articles of Incorporation shall by virtue of such office be a director of this corporation. The remainder of the directors shall be elected by a majority vote of all the stock represented at the meeting, both general and district.

(d) The directors of this company within thirty (30) days after such stockholders' meeting for the election of directors shall meet and choose from their own number a president and vice-president, shall appoint a secretary and a treasurer, and may, if deemed advisable, appoint a manager. The offices of secretary and treasurer may be held by the same person, and the persons appointed as secretary, treasurer and manager may or may not be directors or stockholders of this company.

(e) Special meetings of the stockholders may be called by the president, by a majority of the directors, or by any number of stockholders owning not less than one-fifth (1-5) of the total outstanding stock of the corporation, and notice thereof shall be given by publication in some newspaper published in the State of Utah, having a general circulation in the Counties of Utah and Salt Lake, in each issue thereof for a period of ten (10) days next before the day of meeting, or by postage paid letter addressed to each stockholder at his last known postoffice address and mailed at least ten (10) days prior to the date of the meeting.

and in carrying water thereto, and to be reasonably and properly chargeable thereto, less to the total amount of water delivered to water users and lost by seepage and evaporation over this company's entire canal on such level and the amount so apportioned to each district shall then be raised by an assessment against each share of outstanding district stock of such district of every class of an amount bearing the same proportion to the total amount apportioned to such district as the amount of water delivered by virtue of the ownership of such share to the holder thereof at his point of diversion from the main canal of this company within such district bears to the total amount of water delivered at their points of diversion to all water users diverting water from such main canal within such district.

(c) All assessments shall be levied by resolution of the Board of Directors of this company at any regular or duly called meeting of such board, and notice of such levy stating the purpose or purposes and the amount or amounts thereof and when, to whom and where payable and the date when the same shall be delinquent shall be published at least once a week for two (2) weeks in some newspaper having a general circulation in the Counties of Utah and Salt Lake in the State of Utah, and if any portion of the assessment mentioned in the notice remains unpaid at the time specified therein the secretary of this company shall cause to be published a notice setting forth specifically the names of the owners of delinquent stock, the number of the delinquent certificates and the number of shares represented by each with the amount due thereon, with the statement that as many shares of each parcel of stock as may be necessary will be sold at the time and place mentioned in the notice to pay the delinquent assessments thereon, together with the cost of advertising and the expenses of sale, which said notice shall be published at least once a week for a period of two (2) weeks previous to the date of sale, and the corporation shall

thereby acquire jurisdiction to, and may at the appointed time and place sell and convey a perfect title to all of the stock described in the notice of sale upon which any portion of the assessment or expenses shall remain unpaid at the hour appointed for the sale, but no more stock shall be sold than is necessary to bring an amount of money sufficient to pay such assessment and expenses in full.

#### ARTICLE XI.

##### **Stockholders' Rights**

The mutual rights, privileges, duties and obligations of this corporation and its stockholders shall be as follows, to-wit:

(a) Under the provisions of these articles and under such reasonable rules and regulations as may be prescribed by the Board of Directors of this company, or the Board of Directors of the district corporation, if there be one organized as provided in paragraph (e) of this article, each holder of district stock shall be entitled to divert and use from that portion of the company's main canal lying within such district during the period hereafter fixed for the various classes of district stock in which such right shall exist an amount of water bearing the same proportion to the total amount of water to the use of which this company is or may become entitled which can be made available to the water users at their points of diversion from said main canal determined as herein provided, as the number of shares of stock so held by him bears to a total amount of stock determined by adding the total number of outstanding shares of General Stock and District Stock-Full Water Right to one-half the total number of outstanding shares of District Stock-Early Water Right, District Stock-Late Water Right, General Stock-Early Water Right and General Stock-Late Water Right, provided that under no circumstances shall any holder of district stock be entitled to so divert and use an amount of water in excess

of an amount equal to the volume of water he would obtain if he received 1-100 of a second foot of water flowing continuously during the entire period for which such holder is entitled to use the same for each share of such district stock so owned by him. Such right to so divert and use such water shall exist in the holder of District Stock-Full Water Right during the entire irrigation season of each year as fixed by the Board of Directors of this company, but, in the holder of District Stock-Early Water Right, such right shall exist only during the period from the commencement of the irrigation season determined as above provided to twelve o'clock noon on the 9th day of July of each year, and, in the holder of District Stock-Late Water Right, such right shall only exist during the period from twelve o'clock noon of the 10th day of July of each year to the end of the irrigation season for such year determined as above provided. All district stock outstanding on the date this amendment becomes effective shall be considered as District Stock-Full Water Right of the same district and shall entitle its holder to the same rights and privileges as are enjoyed by the holders of District Stock-Full Water Right of the same district issued hereafter.

(b) No holder of any class of General Stock shall be entitled by virtue of the ownership thereof to the use of any of the water or rights to the use of water owned by this company, but such general Stock may be exchanged at the office of the company at any time for District Stock or other classes of General Stock as follows: one share of General Stock for one share of District Stock-Full Water Right, or for one share of either District Stock-Early Water Right or General Stock-Early Water Right, and one share of either District Stock-Late Water Right or General Stock-Late Water Right; one share of General Stock-Early Water Right for one share of District Stock-Late Water Right. No district stock class shall be exchangeable for district stock

of any other class or for General Stock of any class except that one share of District Stock-Early Water Right and one share of District Stock-Late Water Right of the same district may be exchanged at the office of the company at any time for one share of District Stock-Full Water Right of the same district, and except that the Utah Lake Irrigation Company shall have the right to exchange at the office of the company at any time district stock of any class held by it for general stock of the various classes herein provided upon the same basis that such general stock is exchangeable for district stock as above set forth.

(c) The point at which any holder of district stock shall be entitled to divert the water to the use of which he is entitled by virtue of the ownership of such stock as herein provided shall be such point within such district as may be agreed upon between this company and the holder of such stock, provided that this company shall not be required to designate points of diversion from its canal where there is not enough water to be diverted thereat to permit the supplying of a continuous stream of water.

(d) The total of the number of outstanding shares of general stock and District Stock-Full Water Right, and one-half the number of outstanding shares of District Stock-Early Water Right, District Stock-Late Water Right, General Stock-Early Water Right, and General Stock-Late Water Right shall at no time exceed, but may equal, a number equal to one hundred (100) times the number of second feet of water the right to the use of which is owned by this company which can be made available to water users at their points of diversion from this company's main canal determined as herein provided; but under no circumstances shall stock be issued conferring, or exchangeable for stock conferring rights to the use of water in excess of or beyond the limits of this company's pumping and distributing system, or in excess of the aggregate amount of water which can actually be made available by this company to water users at

their said points of diversion from this company's main canal, determined as herein provided, after losses by evaporation and seepage in carrying such water through the company's main canal to such points of diversion are deducted.

(c) This company reserves the right at any time in the future to require the stockholders in each district, by four months notice in writing to each stockholder to organize a corporation for the purpose of distributing water to the several persons entitled within such district, or, on default of such action within the time limited, itself to cause such corporation to be created, and after the organization thereof, either voluntary or involuntary on the part of the stockholders, to deal exclusively with such corporation in the delivery and distribution of water; and this company further reserves the right to require its stockholders within any district to yield up their stock in this company, upon penalty of cancellation for refusal, to a corporation organized as aforesaid in such district, in exchange for an equal number of shares of such district stock, thus creating a condition under which the only stockholder of this company residing within any organized district shall be the aforesaid district corporation.

## ARTICLE XII

### Agreement With the Utah Lake Irrigation Company

It is hereby agreed by and between the Utah Lake Irrigation Company (herein called "the Irrigation Company") and the other subscribers to these articles, for and in behalf of the corporation hereby created (herein called "this Company") as follows:

(a) The Irrigation Company in consideration of the 2000 shares of capital stock subscribed for by it under this agreement, having conveyed and assigned to this company a perpetual and continuous right to twenty second feet of water from Utah Lake, under the Ir-

rigation Company's application No. 2136, as recorded in the office of the State Engineer of Utah; agrees that it will forthwith at its own cost and expense construct a power house, at or near the point of diversion mentioned in said application No. 2136 and will procure adequate real estate appurtenant thereto and will install pumps therein, and will construct a pipe-line therefrom adequate to lift, and in connection with the canal hereinbefore mentioned, to convey, and deliver at the points of diversion on said canal, exclusive of loss by seepage and evaporation, not less than twenty second feet of water in continuous flow from Utah Lake into a canal to be elevated at its initial point not less than eighty-five feet in vertical distance above "compromise point" on Utah Lake, and will purchase adequate rights of way for the said canal, and will construct the said canal with sufficient length and size to cover and provide for the irrigation of two thousand acres of land; and will convey additional water sufficient to provide for loss by seepage and evaporation in the main canal for said two thousand acre of land; and, further, that the aforesaid construction shall be done in a substantial and workmanlike manner and that the materials and machinery to be provided as aforesaid shall be first class and modern, and shall have not less capacity than hereinbefore stated.

(b) **Whereas**, it is understood and agreed by the incorporators hereof that the Irrigation Company at any time, shall have the right to enlarge and extend the said pumping plant, and the pipe line, rights of way, and canals connected therewith so as to provide for the delivery of water, in addition to the twenty second feet mentioned in subdivision (a) of this paragraph to this Company or to any other person, persons, corporation or corporations; and, whereas, it is the understanding of all parties to these articles that this Company shall have and own such a proportionate and undivided right, title, interest, and estate of, in and to all of the aforesaid pumping plant and appurtenances, as shall entitle this Company



by reason of such ownership, to receive from the Irrigation Company, prior to the rights of any subsequent purchaser, the amount of water to which this company is or may be entitled under any of the provisions of these articles; and, whereas, it is further understood and agreed by the incorporators hereof that the Irrigation Company reserves the right, at any time, at its option, to convey additional water rights to the Company with an increased and proportionate ownership, as aforesaid, in the said pumping plant and appurtenances and to receive from the treasury of this Company one hundred shares of its General Stock for each second foot of water thus conveyed: and whereas, the Irrigation Company contemplates and agrees that the amount of water to be delivered to this Company under subdivision (a) hereof or under any subsequent or additional conveyances, shall be in addition to all losses by seepage or evaporation in the main canal of this Company.

Now, Therefore, the Irrigation Company, in consideration of the premises and of two thousand shares of stock in this Company subscribed for and issued to it, hereby agrees that this Company shall be and is hereby recognized and declared to be, the owner from time to time of the aforesaid undivided and proportionate ownership in the aforesaid pumping plant, and appurtenant properties, further agreeing, upon demand, to make all necessary conveyances and assignments to effectuate such ownership; and further agrees to convey to this Company, from time to time such additional amounts of water as shall make good all losses by evaporation or seepage, so that the amount of water actually available to this Company at the headgates of the distributing laterals and ditches along its main canal shall be one second foot for every one hundred shares of stock issued to the Irrigation Company.

(c) It is further agreed that the Irrigation Company shall have the option or options, from time to time, upon reasonable notice or

notices, before this Company shall purchase or acquire water right from any other source to convey to this Company in the aggregate one hundred eighty second feet of water rights in addition to the twenty second feet hereby conveyed, and of providing an equal increased capacity, as aforesaid, in the said pumping and canal system, and of receiving in consideration therefor, upon the terms hereinbefore stated, shares of General stock from the Company's treasury in payment therefor.

(d) The Irrigation Company agrees to construct at its own expense all diverting works and gates necessary for the supplying of water to the stockholders of this Company.

(e) The Irrigation Company agrees at its own cost and expense, to defend the title to the said application to appropriate water No. 2136, to the extent of the interest therein which the Irrigation Company may from time to time convey and transfer to this Company, unless the action brought to deprive this Company of the use of said water under said filling shall be instituted upon the grounds that this Company or its stockholders have failed to use and apply sufficient of said water upon said lands to comply with the requirements of law relating to the use of water under applications to appropriate water.

(f) The Irrigation Company agrees on demand to execute any and all further deeds, conveyances, contracts, assignments or assurances that may be necessary to effectuate any of its promises under this agreement.

In Witness Whereof, the said Utah Lake Irrigation Company has by resolution of its Board of Directors caused its corporate name to be hereunto signed and its seal affixed by its President and its Secretary, the 25th day of October, 1911.

Utah Lake Irrigation Company,

by JOSEPH R. MURDOCK,

(SEAL)

President,

by ROYAL J. MURDOCK,

Secretary,

Also Witness the hands of the other subscribers to this agreement, hereinafter des-

igned in Article XII, as "this company," the 25th day of October, 1911.

JOSEPH R. MURDOCK,  
JOSEPH B. KEELER,

A. J. EVANS,  
S. L. CHIPMAN,

J. W. W. FITZGERALD,  
FRANCIS W. KIRKHAM,  
EDWARD SOUTHWICK.

**Witness the Hands** of the parties to this agreement, (the said Utah Lake Irrigation Company having by resolution of its Board of Directors authorized its corporate name to be hereunto signed and its seal affixed by its President and Secretary) hereto affixed this 31st day of January, A. D. 1912.

**Utah Lake Irrigation Company,**

by JOSEPH R. MURDOCK,  
its President.

by ROYAL J. MURDOCK,  
its Secretary.

JOSEPH R. MURDOCK,  
JOSEPH B. KEELER,

A. J. EVANS,  
S. L. CHIPMAN,

J. W. W. FITZGERALD,  
FRANCIS W. KIRKHAM,  
EDWARD SOUTHWICK.

STATE OF UTAH, } ss.  
COUNTY OF UTAH, }

Personally appeared before me, Joseph R. Murdock, Joseph B. Keeler and A. J. Evans, who being each duly sworn on oath, depose and say:

That they are three of the incorporators named in the foregoing articles of incorporation; that it is bona fide their intention to commence and carry on the business mentioned in the foregoing articles of incorporation; that each of the subscribers to the capital stock of the said corporation has paid in ten per cent of the amount of stock subscribed for by him and that the affiants verily believe that each subscriber party hereto is able to and will pay in the price of all the stock subscribed for by him and ten per cent of the

authorized capital stock has been paid in.

JOSEPH R. MURDOCK,  
JOSEPH B. KEELER,  
A. J. EVANS.

Subscribed and sworn to before me this 31st day of January, 1912.

HYRUM F. THOMAS,

(SEAL) Notary Public.  
My commission expires April 22, 1913.

STATE OF UTAH, } ss.  
COUNTY OF UTAH, }

Joseph R. Murdock and Royal J. Murdock, President and Secretary, respectively, of the Utah Lake Distributing Company, a corporation of the State of Utah, do hereby certify that at a meeting of the stockholders of said corporation duly called and held on the 31st day of January, A. D. 1912, for the purpose of amending the Articles of Agreement, the foregoing articles were, by resolution, duly passed by all the stockholders voting in favor thereof, adopted as the amended Articles of Agreement of the said corporation.

**In Witness Whereof**, we have hereunto signed our names as the President and the Secretary, respectively, of said corporation, and have caused the corporate seal thereof to be hereunto affixed, this 31st day of January, A. D. 1912.

JOSEPH R. MURDOCK,

(SEAL) President.

ROYAL J. MURDOCK,

Secretary.

STATE OF UTAH, } ss.  
COUNTY OF UTAH, }

We, the undersigned, being all of the stockholders of the Utah Lake Distributing Company, do hereby certify that the foregoing Amended Articles of Agreement of said corporation were duly and regularly adopted by the stockholders, all of the said stockholders voting in favor thereof at a meeting called and held for that purpose on the 31st day of January, A. D. 1912.

**Witness the Hands** of the parties to this agreement, (the said Utah Lake Irrigation Company having by resolution of its Board of Directors authorized its corporate name to be hereunto signed and its seal affixed by its President and Secretary) hereto affixed this 31st day of January, A. D. 1912.

**Utah Lake Irrigation Company.**

by JOSEPH R. MURDOCK,

(SEAL)

its President,

by ROYAL J. MURDOCK,

its Secretary,

JOSEPH R. MURDOCK,

JOSEPH R. KEELER,

A. J. EVANS,

S. L. CHAPMAN,

J. W. W. FITZGERALD,

FRANCIS W. NIKKIAM,

EDWARD SOUTHWICK.

**STATE OF UTAH.**

**Office of Secretary of State.**

To "Utah Lake Distributing Company,"

I, HARDEN BENNION, Secretary of State of the State of Utah, do hereby certify that on this day was filed in my office a certificate of the Clerk of the County of Utah, to the effect that an amendment to the articles of incorporation of "UTAH LAKE DISTRIBUTING COMPANY" had been filed in his office and that there has also been filed in my office with said certificate, a copy of the amendment to the said articles of incorporation certified by the said Clerk; from which it appears that the articles of incorporation of said corporation have been amended in the following particulars:

Whereby an amended set of the Articles of Incorporation of the said Utah Lake Distributing Company are filed this day and made a part of this certificate.

IN TESTIMONY WHEREOF, I have hereunto set my hand and the Great Seal of said State at Salt Lake City, this eighteenth day of July, A. D. 1917.

HARDEN BENNION,

(SEAL)

Secretary of State.