

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

OCT 29 2019

DEPARTMENT OF
WATER RESOURCES

Notice of Change in Water Right Ownership

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, see #6 of the instructions.

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
74-716	Yes ☐	Yes ☐		Yes ☐	Yes ☐
74-717	Yes ☐	Yes ☐		Yes ☐	Yes ☐
74-1860	Yes ☐	Yes ☐		Yes ☐	Yes ☐
74-1861	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: Zenas R Hartvigson Co
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Briar Rose Ranch LLC
New owner(s) as listed on the conveyance document
- 2795 SE Grapevine Idledale Name connector ☐ and ☐ or ☐ and/or
Mailing address CO 80453
720-988-3070 hartvigsons@msn.com State ZIP
Telephone Email
4. If the water rights and/or adjudication claims were split, how did the division occur?
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.

5. Date you acquired the water rights and/or claims listed above: 11-5-2013
6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed IRS Form W-9 for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed Lessor Designation form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).

7. This form must be signed and submitted with the following **REQUIRED** items:
- ☐ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
- ☒ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
- ☐ Filing fee (see instructions for further explanation):
- ☐ \$25 per undivided water right.
 - ☐ \$100 per split water right.
 - ☐ No fee is required for pending adjudication claims.
- ☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
- ☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

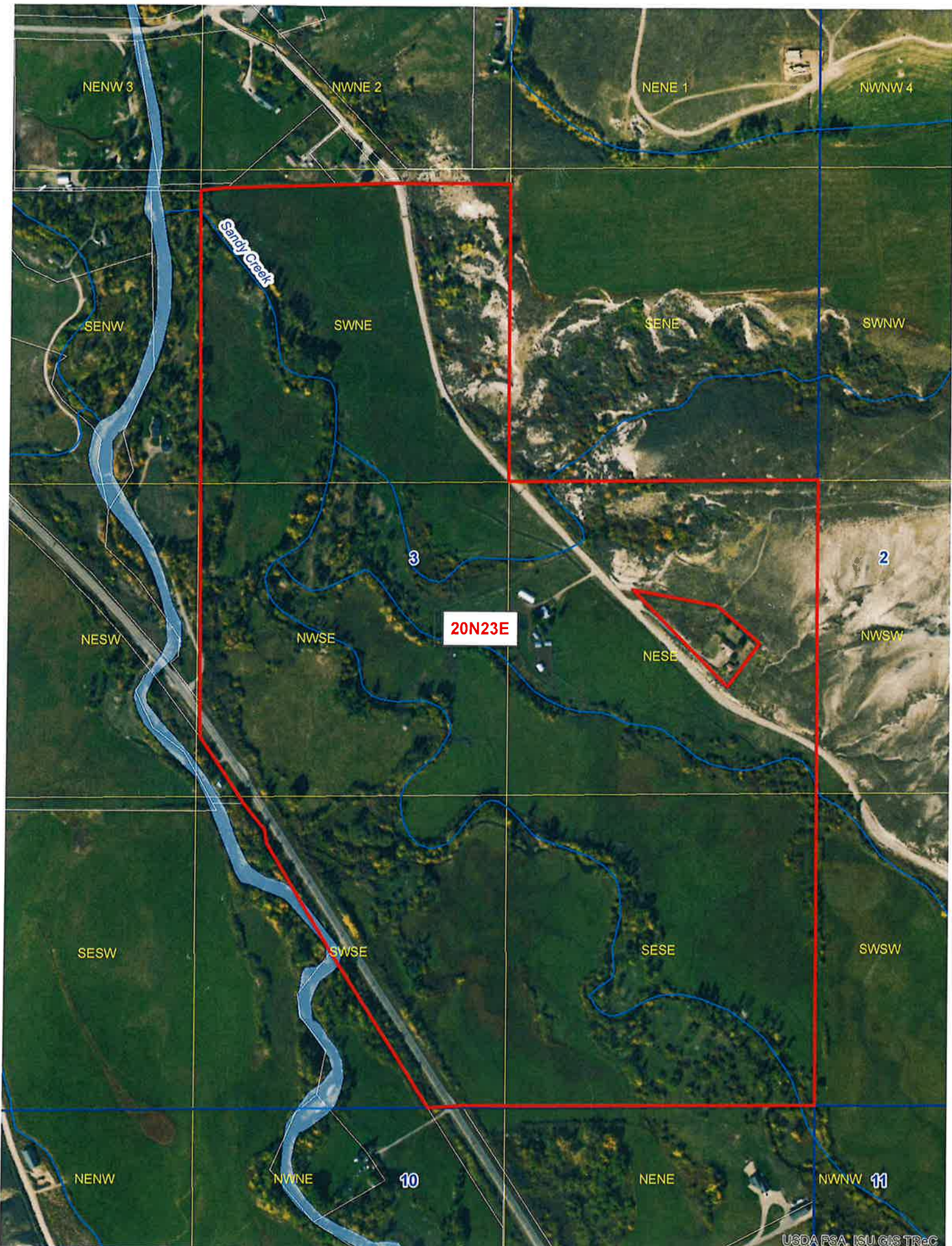
8. Signature: [Signature] TRUSTEE / OWNER 10-22-19
Signature of new owner/claimant Title, if applicable Date
- Signature: _____
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by [Signature] Date 10/29/19 Receipt No. C61902 Receipt Amt. 100

Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐

Name on W-9 _____ Approved by _____ Processed by [Signature] Date 11-1-19



RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

C. Edward Cather
Moffatt Thomas Barrett Rock & Fields, Chtd.
PO Box 51505
Idaho Falls, Idaho 83405

(Space Above For Recorder's Use)

Quitclaim Deed

Scott Hartvigson, sole trustee of the Zenas R. Hartvigson Trust dated January 20, 1997, hereinafter "Grantor," does hereby convey, release, remise and forever quitclaim to Brier Rose Ranch, LLC, an Idaho limited liability company, whose address is 2795 S. E, Grapevine Road, Idledale, Colorado, 80453, hereinafter "Grantee" and to its assigns, all right, title and interest which Grantor now has or may hereafter acquire in the following described real property situated in Limhi County, State of Idaho, to wit:

See legal description attached hereto as Exhibit "A"

TO HAVE AND TO HOLD, all and singular the said premises, together with the appurtenances, unto Grantee, and her assigns forever.

WITNESS the hands of said Grantors this 6 day of May, 2016.

ZENAS R. HARTVIGSON TRUST



Scott Hartvigson, Trustee

STATE OF COLORADO)

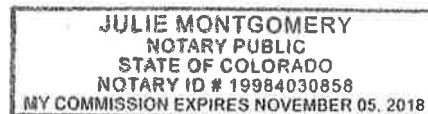
) SS.

County of JEFFERSON)

On this 6TH day of MAY, 2016, before me, a notary public in and for said county and state, personally appeared Scott Hartvigson, known or identified to me to be trustee of the Zenas R. Hartvigson Trust dated January 20, 1997, and acknowledged to me that he executed the same as trustee of said trust.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

NOTARY PUBLIC FOR IDAHO
Residing at Idaho Falls, Idaho
My Commission Expires



RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

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) SS.

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NOTARY PUBLIC FOR IDAHO
Residing at Idaho Falls, Idaho
My Commission Expires Nov. 5, 2018

JULIE MONTGOMERY
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID # 19984030858
MY COMMISSION EXPIRES NOVEMBER 05, 2018

Exhibit A

Township 20 North, Range 23 East, Boise Meridian
Section 3: N1/2SE1/4 LESS that part lying South and West
of State Highway No. 28, formerly railroad right-of-way;
SW1/4NE1/4; SE1/4SE1/4; and that part of the
SW1/4SE1/4 lying North and East of said Highway No. 28.

LESS AND EXCEPTING THE FOLLOWING PARCEL:

A parcel of land located in the NE1/4SE1/4 Section 3, T.
20 N., R. 23 E.B.M., Lemhi County, Idaho, more
particularly described as follows:

Commencing at the East 1/4 corner of said Section 3, from
which the South 1/4 corner of Section 2 bears S. 45°00'
E., a distance of 883.61 feet on a bearing of S. 38°41'06"
W. to the REAL POINT OF BEGINNING.

From this REAL POINT OF BEGINNING, a distance of
365.00 feet on a bearing of N. 79°37'40" W.; thence S.
44°46'33" E. 572.97 feet; thence N. 36°48'28" E. 228.71
feet; thence N. 48°59'13" W. 240.62 feet to the REAL
POINT OF BEGINNING, said parcel contains 2.00 acres.

SUBJECT TO: All liens, easements, assessments, encumbrances, rights of
way, covenants, restrictions, patent reservations, applicable building and zoning
ordinances and use regulations and accruing taxes all of record and/or existing upon
or relating to said property.

Together with all water rights, irrigation rights, appurtenances, hereditaments
and tenements, and the like which belong to or appertain in any way to the real
property described above.

This Deed amends the Deed recorded as Instrument No. 232999.

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

C. Edward Cather
Moffatt Thomas Barrett Rock & Fields, Chld.
PO Box 51505
Idaho Falls, Idaho 83405

(Space Above For Recorder's Use)

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Scott Hartvigson, Trustee

STATE OF COLORADO)
) ss.
County of JEFFERSON)

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IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

NOTARY PUBLIC FOR IDAHO
Residing at Idaho Falls, Idaho
My Commission Expires NOV. 5, 2018

JULIE MONTGOMERY
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID # 19984030858
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and tenements, and the like which belong to or appertain in any way to the real
property described above.

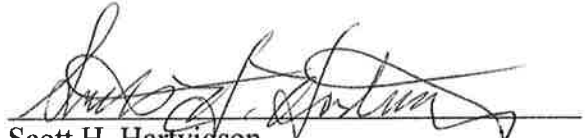
This Deed amends the Deed recorded as Instrument No. 232999.

ASSIGNMENT OF LIMITED LIABILITY COMPANY INTEREST

Scott H. Hartvigson, the undersigned and sole owner of the issued and outstanding membership units of Brier Rose Ranch, LLC, hereby transfers and assigns (without consideration and in order to change legal title only) all membership units, right, title and interest presently owned (and hereafter acquired) in that certain limited liability company known **BRIER ROSE RANCH, LLC**, an Idaho limited liability company, to Scott H. Hartvigson as trustees of the **BRIAR ROSE RANCH TRUST** dated June 27, 2018, and any amendments thereto. The undersigned transferee hereby accepts the assignment as substitute member and agrees to be bound by the Operating Agreement of the limited liability company.

All parties to this assignment represent that the Operating Agreement allows this assignment, without penalty or other adverse consequence. If such representation proves to be untrue, and any party to this assignment provides adequate evidence of such, this assignment shall be void.

Dated: 08-28-2018


Scott H. Hartvigson

TRUSTEES' ACCEPTANCE:

Dated: 08-28-2018


Scott H. Hartvigson

251



CERTIFICATE OF ORGANIZATION FILED EFFECTIVE LIMITED LIABILITY COMPANY

NOV -5 AM 11:53

(Instructions on back of application)

SECRETARY OF STATE
STATE OF IDAHO

1. The name of the limited liability company is:

Brier Rose Ranch, LLC

2. The complete street and mailing addresses of the initial designated office:

2795 S. E. Grapevine Road, Idledale, Colorado 80453

(Street Address)

PO BOX 246, Idledale, Colorado 80453

(Mailing Address, if different than street address)

3. The name and complete street address of the registered agent:

Verdell Olson

(Name)

151 Geertson Cr. Road, Salmon, Idaho 83467

(Street Address)

4. The name and address of at least one member or manager of the limited liability company:

Name

Address

Scott Hartvigson

2795 S. E. Grapevine Road, Idledale, Colorado, 80453

5. Mailing address for future correspondence (annual report notices):

PO BOX 246, 2795 S. E. Grapevine Road, Idledale, Colorado, 80453

6. Future effective date of filing (optional):

Signature of a manager, member or authorized person.

Signature

Typed Name: Scott Hartvigson

Signature

Typed Name:

Secretary of State use only

IDAHO SECRETARY OF STATE

11/05/2013 05:00

CK: NONE CT: 1117 BH: 1396796

1 @ 100.00 = 100.00 ORGAN LLC # 2

9/21/2012

cert.org Bo Rev. 07/2010

W130864



IDAHO SECRETARY OF STATE

Viewing Business Entity

Lawrence Denney, Secretary of State

[[New Search](#)] [[Back to Summary](#)]
[[Get a certificate of existence for BRIER ROSE RANCH, LLC](#)]
[[Monitor BRIER ROSE RANCH, LLC business filings](#)]

BRIER ROSE RANCH, LLC

PO BOX 246
IDLEDALE, CO 80453

Type of Business: LIMITED LIABILITY COMPANY

Status: EXISTING

State of Origin: IDAHO

Date of 05 Nov 2013

Origination/Authorization:

Current Registered Agent: VERDELL OLSON
151 GEERTSON CREEK RD
SALMON, ID 83467

File Number: W130864

Date of Last Annual Report: 29 Sep 2015

Annual Report Due: Nov 2016

Original Filing: and every November thereafter

[[Help Me Print/View TIFF](#)]

Filed 05 Nov 2013 CERTIFICATE OF
ORGANIZATION

[View Image \(PDF format\)](#) [View
Image \(TIFF format\)](#)

Annual Reports:

[[Help Me Print/View TIFF](#)]

Report for year 2015 ANNUAL REPORT

[View Document Online](#)

Report for year 2014 ANNUAL REPORT

[View Document Online](#)

[Idaho Secretary of State's Main Page](#)

[State of Idaho Home Page](#)

Comments, questions or suggestions can be emailed to: sosinfo@sos.idaho.gov



EBERHARDT & OLSON, LLC
LAW FIRM

8441 WEST BOWLES AVENUE
SUITE 210
LITTLETON, COLORADO 80123
(303) 972-4411
FAX (303) 972-0660
EBERHARDTOLSON@MSN.COM

GRETCHEN EBERHARDT OLSON

**TRUST AGREEMENT OF THE
BRIAR ROSE RANCH TRUST**

This agreement is made on June 27, 2018, by and between SCOTT H. HARTVIGSON, of the County of Jefferson, Colorado, as settlor, and SCOTT H. HARTVIGSON, of the County of Jefferson, Colorado as trustee, with respect to the initial trustee estate, described in Schedule A, which settlor transfers to trustee and which trustee accepts and agrees to hold, together with any future additions to the trust which are acceptable to trustees.

**ARTICLE I
STATEMENT AS TO FAMILY**

Settlor's spouse is M. LOUISE HARTVIGSON. Any reference in my will to my spouse is to such person. Settlor's children now living are ZACHARY S. HARTVIGSON and SHANDEE D. HARTVIGSON. Any reference in this agreement to settlor's children is to such children. Any reference in this agreement to settlor's descendants is to settlor's children and their descendants.

**ARTICLE II
SETTLOR'S RIGHTS IN THE TRUST**

1. DISTRIBUTIONS AS SETTLOR DIRECTS: During settlor's lifetime, trustee shall dispose of the net income and principal of the trust in such manner as settlor may direct from time to time. Unless otherwise directed by settlor, the net income shall be paid to settlor no less frequently than quarter-annually.
2. DISTRIBUTIONS TO SETTLOR DURING DISABILITY: During any period when in the opinion of settlor's personal physician settlor is incompetent, incapacitated, or disabled due to illness, age, or other cause, with resulting inability to manage property and financial affairs effectively, trustee shall apply for the benefit of settlor so much of the net income and principal of the trust as trustee shall determine.
3. PAYMENTS FOR SETTLOR'S FAMILY: During any period when settlor is so disabled, trustee shall also distribute such amounts of net income and principal as in trustee's discretion shall be necessary or advisable for the health, maintenance, education and support of those persons deemed by trustee to be dependent on settlor.
4. ADMINISTRATIVE GUIDELINES: Primary consideration should be given to the needs of settlor, and thereafter to the needs of settlor's immediate family. Any such distributions may be made to one or more of such beneficiaries to the complete exclusion of the others, in equal or unequal shares, as their respective needs require. Trustee may consider other income and resources of such beneficiaries known to trustee to the extent trustee deems advisable. Any net income not so distributed to settlor or to those persons dependent upon settlor shall be accumulated and added to principal. No distribution authorized by this article and

made during settlor's lifetime to a person other than settlor shall be charged against the ultimate share of such person distributable under any other provision of this trust.

5. TRUST ADDITIONS AND REMOVALS: Settlor reserves the power to add to the trust estate at any time by delivering to the trust additional property which is acceptable to trustee. Settlor reserves the power to remove all or any part of the property from the trust at any time by notifying trustee of such removal in writing.

6. AMENDMENT AND REVOCATION: Settlor reserves for settlor's lifetime the following powers which settlor may exercise at any time or times:

- (A) to revoke the trust by a writing;
- (B) upon trustee's consent, to amend the trust, in whole or in part, by a writing; and
- (C) to direct, by a memorandum which settlor may leave at settlor's death, distribution by trustee on settlor's death of any of settlor's tangible personal property, together with any insurance policies covering such property and claims under such policies.

ARTICLE III BENEFITS PAYABLE TO TRUSTEE

1. SETTLOR'S RIGHTS IN POLICIES: Settlor reserves and may exercise without the consent or approval of trustee or any beneficiary, all the rights, powers, options and privileges which could be exercised by an absolute owner under the terms of any instrument governing the payment of benefits directly to trustee, were such property not assigned to the trust, or were trustee not designated the beneficiary thereunder. Trustee shall deliver all life insurance policies, or other instruments evidencing trustee's right to receive benefits, which are deposited with it under this agreement, on settlor's written request. Trustee shall have no duty to see that a withdrawn instrument is returned to its custody.

2. PREMIUMS AND SAFEKEEPING OF POLICIES: Trustee shall be under no obligation to see that premiums, assessments, or other sums due under such instruments are paid, or to pay the same, and shall be under no obligation with respect to the instruments deposited with trustee other than for their safekeeping, except to the extent expressly provided in this agreement. Nothing in this agreement shall be deemed to impose any obligation on settlor to maintain any or all of such instruments in force.

3. COLLECTION OF PROCEEDS: On the death of the insured under any policy payable to the trust, or in the event any other types of benefits become payable to the trust, trustee shall make a reasonable effort to collect all such sums, and in the discretion of trustee, may exercise any of the options of settlement that may at that time be available to trustee under the terms of any such policy or instrument.

4. COLLECTION PROCEEDINGS: Trustee may institute proceedings in order to enforce payment of such sums. However, trustee need not, except at its option, enter into or maintain any litigation to enforce payment until

it has been indemnified to its satisfaction against all expenses and liabilities to which, in its judgment, it may be subjected by any such action on its part.

5. CLAIMS: Trustee is authorized to compromise and adjust claims arising out of any instrument governing the payment of such sums upon such terms and conditions as it may deem prudent. The decisions of trustee shall be conclusive, and shall be binding on all interested parties.

6. PAYOR RELIEVED OF LIABILITY: No person or entity which pays insurance proceeds or other benefits to trustee as beneficiary shall be required to inquire into any of the provisions of this agreement or to see to the application by trustee of any such sums. The receipt of trustee to any payor for any sum so paid shall be a full acquittance of the person or entity paying the same.

7. RETIREMENT PLAN ELECTIONS: Trustee may elect to receive any proceeds payable to trustee as beneficiary under a qualified pension, profit sharing, or other employee benefit plan either in a lump sum or in the form of any annuity or installments permitted by the terms of such plan. Trustee shall not be liable to any beneficiary of this trust or of settlor's estate by reason of such election.

8. BENEFITS NOT PROBATE PROPERTY: Notwithstanding anything in this agreement to the contrary, benefits or property payable to trustee hereunder by reason of settlor's death shall not be subject to claims against settlor's estate, or to the control of settlor's personal representative, or be included in the property administered as a part of settlor's probate estate.

ARTICLE IV ADMINISTRATION OF TRUST AFTER SETTLOR'S DEATH

1. PAYMENT OF EXPENSES AND TAXES: Trustee is authorized but not directed to pay:

(A) any expenses of the last illness, funeral, and burial of settlor;

(B) legally enforceable claims against settlor or settlor's estate;

(C) expenses of administering settlor's estate; and

(D) any allowances by court order for those dependent upon settlor.

Such payments are discretionary with trustee, and no claim or right to payment by third parties may be enforced against the trust by virtue of this discretionary authority. In addition, trustee shall pay, after satisfaction of the marital devise, if any, provided in subsequent articles of this agreement, that portion of any taxes imposed by reason of settlor's death, including but not limited to estate, inheritance, gift, generation-skipping transfer, and income taxes, together with interest and penalties thereon, which are properly allocable, pursuant to the provisions of the following paragraph 3 of this article, to the property of the trust.

2. COORDINATION WITH PERSONAL REPRESENTATIVE: Trustee may make these payments directly or may pay over the amounts thereof to the personal representative of settlor's probate estate. Trustee may rely upon the written statements of settlor's personal representative as to all material facts relating to these payments and shall be under no duty to see to their application.

3. DEATH TAXES: All taxes to which reference is made pursuant to the provisions of the foregoing paragraph 1 of this article shall be apportioned among the beneficiaries hereof in a manner which fairly reflects the share of settlor's estate which each beneficiary receives, under this agreement or otherwise, taking into consideration:

the value of all property includible in settlor's estate for purposes of the tax imposed which passes to such beneficiaries other than pursuant to the provisions of this agreement; and

in the case of each beneficiary, the share of all such taxes which is attributable to the share of settlor's estate receivable by such beneficiary.

4. PROTECTION OF EXEMPT PROPERTY: In no event shall any taxes to which reference is made pursuant to the provisions of the foregoing paragraph 1 of this article be allocated to or paid from property which is not included in settlor's gross estate for federal estate tax purposes or which qualifies for the federal estate tax marital or charitable deductions.

5. TAX ELECTIONS AND ADMINISTRATIVE ALLOCATIONS: Trustee may exercise any available election under any applicable income, estate, inheritance, succession, gift, or generation-skipping transfer tax law; provided, however, if a personal representative of settlor's probate estate, who is the recipient of specific statutorily delegated authority relative to any such election, has been appointed and is serving, any discretionary authority granted trustee hereunder relative to such election shall be subordinate in all respects to such statutorily delegated authority. This grant of authority specifically includes the power to select the alternate valuation date for death tax purposes and the power to determine whether any or all of the administration expenses of settlor's estate are to be used as estate tax deductions or as income tax deductions, and no compensating adjustments need be made between income and principal as a result of such determinations unless trustee shall determine otherwise, in its discretion, or unless required by law. Trustee shall not be liable to any beneficiary of this trust for tax consequences occasioned by reason of the exercise of, or failure to exercise, any such elections or by reason of the allocation and distribution of property in kind, in full or partial satisfaction of any beneficiary's interest in the trust.

6. PURCHASES AND LOANS: On the death of settlor, trustee is authorized to purchase and retain in the form in which the same is received, as an investment for the trust estate, any property forming a part of the probate estate of settlor. Trustee may make loans, with or without security, to the personal representative of settlor's probate estate. Trustee shall not be liable for any loss suffered by the trust estate as a result of the exercise of the powers granted in this paragraph.

7. RECEIPT OF PROBATE PROPERTY: Trustee, in its discretion, is authorized to accept or to decline any distributions of property tendered by the personal representative of settlor's probate estate. Relative to any property deemed acceptable by trustee, trustee may accept the same without audit and shall be under no obligation to examine the accounts of settlor's personal representative.

8. DISCRETIONARY DISTRIBUTIONS TO SETTLOR'S PROBATE ESTATE: At any time during the term of the trust hereunder after settlor's death, trustee may, in its discretion, distribute to settlor's probate estate, as a beneficiary of this trust, cash or other trust property, including cash or property which is classified as post-death trust income, to whatever extent trustee deems it to be in the best interests of the beneficiaries generally, except that no such distributions may be made from property allocated to the Marital Trust, property distributable to qualified charitable recipients described in IRC Section 2055, to the extent such distribution entitles settlor's estate to a charitable deduction under IRC Section 2055, or property or proceeds described in paragraph 5 of this article.

ARTICLE V SPECIFIC DISTRIBUTIONS ON SETTLOR'S DEATH

1. TANGIBLE PERSONAL PROPERTY: On settlor's death, trustee shall distribute any of settlor's tangible personal property, together with any insurance policies covering such property and claims under such policies, to settlor's spouse, if he survives settlor. If settlor's spouse does not survive settlor, then trustee shall distribute such property in accordance with any memorandum directing the disposition of such property signed by settlor or in settlor's handwriting which settlor may leave at settlor's death. If for any reason no such memorandum is in existence at settlor's death, or to the extent such memorandum fails to dispose of all of such property effectively, settlor gives such property not disposed of to settlor's children who survive settlor, in shares of substantially equal value, to be divided between them as they, and such other person as trustee may select to represent any child of settlors believed by trustee to be incapable of acting in his or her own best interests, shall agree. In case settlor's children and such other person do not agree upon the division of such property within three (3) months after settlor's death, trustee shall make the division. All expenses of storing, packing, shipping, delivery, insurance or of sale shall be paid as expenses of administration.

2. ADMINISTRATION OF BALANCE OF TRUST: Any part of the trust estate not disposed of under the foregoing provisions shall be distributed in accordance with the provisions of Article VI of this agreement.

ARTICLE VI CONTINUATION OF BRIAR ROSE RANCH TRUST

1. TRUST ESTATE: Any property distributed under this trust to the trustee of the BRIAR ROSE RANCH TRUST, together with all other benefits

or assets payable to trustee from whatever source, shall constitute the trust estate of this Article VI.

2. DISTRIBUTION OF INCOME AND PRINCIPAL: Trustee may pay from the net income and principal of this trust for any expenses incurred by the trust for the real property owned by this trust.

3. RESIDENCES LOCATED ON REAL PROPERTY OWNED BY TRUST:

(A) During her lifetime, M. LOUISE HARTVIGSON may reside at said real property known and numbered as 1110 Lemhi County Backroad, Salmon, ID 83467 rent free. Expenses including but not limited to, all taxes, assessments, homeowner association fees, insurance, water, utilities and making the necessary and essential repairs on the improvements on said real property shall be paid by this trust. The right to occupy said residence terminates upon the death of M. LOUISE HARTVIGSON.

(B) During her lifetime, ANITA M. HARTVIGSON may reside at said real property known and numbered as 1103 Lemhi County Backroad, Salmon, ID 83467 rent free. Expenses including but not limited to, all taxes, assessments, homeowner association fees, insurance, water and making the necessary and essential repairs on the improvements on said real property shall be paid by this trust. Utility expenses, including propane and phone shall be paid by ANITA M. HARTVIGSON. The right to occupy said residence terminates upon the death of ANITA M. HARTVIGSON, or if ANITA M. HARTVIGSON moves out of said residence, whichever shall occur first.

(C) The balance of the real property owned by this trust may be used by M. LOUISE HARTVIGSON, ZACHARY S. HARTVIGSON and SHANDEE D. HARTVIGSON while this real property is owned by this trust.

4. TERMINATION OF TRUST: Said trust shall terminate when the last individual of the following persons dies: M. LOUISE HARTVIGSON, ANITA M. HARTVIGSON, ZACHARY S. HARTVIGSON or SHANDEE D. HARTVIGSON, or by a majority vote of M. LOUISE HARTVIGSON, ANITA M. HARTVIGSON, ZACHARY S. HARTVIGSON and SHANDEE D. HARTVIGSON to terminate this trust, whichever occurs first. However, during the lifetime of M. LOUISE HARTVIGSON, she must agree to the termination of the trust in order the trust to terminate. Upon the termination of this trust, settlor gives the balance to settlor's children who are then surviving, in equal shares. If either of them is not then surviving, then settlor gives their share to the survivor between them. If neither of them is then surviving, then to settlor's grandchildren who are then surviving, in equal shares.

ARTICLE VIII FACILITY OF DISTRIBUTION AND MANAGEMENT

1. CONTINUED RETENTION IN TRUST: If under another provision of this agreement any part of the trust property becomes distributable outright, or if a distribution is authorized or required to be made, to a person at a time when such person has not yet attained the age of 25 years, or at a time when such person is under any form of disability, without regard to whether such person is legally so adjudicated, and in the discretion of trustee is unable to properly manage his or her financial affairs, trustee may retain the share of such person (hereinafter, in this article,

sometimes called "disabled person") in a separate trust until he or she attains the age of 25 years, or until his or her disability has ceased.

(A) Distributions to Disabled Person: During the term of any such trust, trustee may distribute to or apply for the benefit of such disabled person as much of the net income and principal as trustee, in its discretion, deems appropriate, after taking into consideration, to the extent trustee deems appropriate, income and other resources of such person outside the trust and known to trustee. Any net income not so distributed shall be accumulated and added to principal. Trustee shall exercise its discretion in such a manner as to maximize medical or public assistance benefits, and trustee shall not enter into any agreement, with any representative of a medical or public assistance program or governmental entity, which compromises such person's continued care or eligibility for services in or from any public or private institution or facility.

(B) Termination and Distribution: Trustee shall distribute the principal and any accrued and undistributed income to such disabled person when he or she ceases to be disabled. If the beneficiary was under the age of thirty-five, then trustee shall distribute the principal and any accrued and undistributed income when such beneficiary attains the age of 25. If such disabled person dies before attaining the age of 25 years or before his or her disability ceases, the principal and all accrued and undistributed income shall be distributed to such individuals or entities, in such amounts and proportions, and for such estates and interests, on such terms and conditions, either outright or in trust, as the disabled person may appoint by a valid will which refers to and specifically exercises this power; provided, however, this power may not be exercised in favor of such person's estate, such person's creditors, or the creditors of such person's estate. If this power of appointment is not validly exercised, in whole or in part, then upon the disabled person's death trustee shall distribute the unappointed principal and accrued and undistributed income to such person's descendants, by representation.

2. DISTRIBUTION ALTERNATIVES: Should trustee, in its reasonable discretion, determine that it would not be in the best interests of a disabled person described in paragraph 11.1 of this article for trustee to retain in trust any property set aside for, or otherwise payable to, such person, such property may be distributed by trustee, in any of the ways authorized by this paragraph, without continuing court supervision or the intervention of a guardian or conservator or other personal representative, and without giving or requiring any bond. Any distribution so made shall be without obligation on the part of trustee to see to the further application thereof. A receipt by the recipient for any such distribution, if such distribution is made in a manner consistent with the proper exercise of trustee's fiduciary duties hereunder, shall fully discharge trustee. Such distributions may be made:

(A) Outright: Directly to or on behalf of the disabled person;

(B) Bank Account: To an account in a banking or savings institution, either in the name of the disabled person or in a form reserving title, management, and custody of such account to a suitable person for the use of the disabled person;

(C) Annuity: In any form of annuity;

(D) Custodian: To any person or financial institution, including trustee, as custodian under the Uniform Transfers to Minors Act or Uniform Gifts to Minors Act of any state, and in all other ways provided by any statute dealing with gifts or distributions to or for minors or persons under disability;

(E) Guardian or Care Giver: To any suitable individual with whom the disabled person resides or who has the care or custody of such person.

3. ADDITIONS TO SEPARATE TRUSTS: If on the termination of any separate trust under this agreement a final distribution is to be made to a person for whom trustee then holds another separate trust under this agreement, such distribution shall be added to such other separate trust instead of being distributed outright. It shall be treated for purposes of administration as though it had been an original part of such other trust.

4. CONSOLIDATION OF TRUSTS: Trustee may consolidate and merge for all purposes a trust created hereunder with any other trust created by settlor or any other person at any time, which other trust contains substantially the same terms as this trust for the same beneficiary or beneficiaries and is being administered by the same trustee, and thereafter may administer such consolidated and merged trusts as one unit. If such consolidation and merger does not appear desirable or feasible, trustee may consolidate the property of such trusts for purposes of investment and administration while retaining separate records and accounts for the separate trusts.

5. EARLY TERMINATION: If trustee shall determine, in trustee's discretion, that a separate trust established hereunder has become uneconomical to administer, trustee may terminate such trust. In such event, shall distribute the principal and any accrued and undistributed income to the then income beneficiary of the trust. If at that time there is more than one such income beneficiary, then such trust property shall be distributed among such beneficiaries, by representation.

6. DISTRIBUTIONS FREE FROM TRUST: Any property of the trust estate or of any separate trust created under this agreement which, by reason of a person's attained age, death or otherwise, would have become distributable before the establishment of a separate trust, may be distributed directly by trustee without requiring that a separate trust be established or that distribution be made by the trustee of such separate trust.

ARTICLE IX REMOTE CONTINGENT DISTRIBUTION

If at any time there is no person or entity qualified to receive final distribution of the trust estate or any part of it, then the portion of the trust estate with respect to which such failure of qualified recipients has occurred shall be distributed ANITA M. HARTVIGSON, if she is then surviving. If she is not, then to BRITNEY ZAPPITELLO.

ARTICLE X
DESIGNATION AND SUCCESSION OF TRUSTEES

If SCOTT H. HARTVIGSON fails or ceases to act as trustee, settlor appoints SHANDEE D. HARTVIGSON, of P.O. Box 3365, Idaho Springs, CO 80452, as trustee. If she fails or ceases to act as trustee, settlor appoints settlor's spouse as trustee.

ARTICLE XI
POWERS OF TRUSTEE

1. GRANT: Trustee may perform every act reasonably necessary to administer the trust estate established under this agreement. Specifically, trustee may exercise the following powers: hold, retain, invest, reinvest and manage real or personal property, including interests in any form of business entity, including but not limited to limited partnerships and limited liability companies, and policies of life, health and disability insurance, without diversification as to kind, amount or risk of non-productivity and without limitation by statute or rule of law. Trustee may partition, sell, exchange, grant, convey, deliver, assign, transfer, lease, option, mortgage, pledge, abandon, borrow, loan, contract, distribute in cash or kind or partly in each at fair market value on the date of distribution, without requiring pro rata distribution of specific assets and without requiring pro rata allocation of the tax bases of such assets. Trustee may hold in nominee form, continue businesses, carry out agreements, and deal with itself, other fiduciaries and business organizations in which trustee may have an interest. Trustee may establish reserves, release powers, and abandon, settle or contest claims. Trustee may employ attorneys, accountants, custodians of the trust assets, and other agents or assistants as deemed advisable to act with or without discretionary powers, and compensate them and pay their expenses from income or principal or both.

2. FIDUCIARIES' POWERS ACT: In addition to all of the above powers, trustee may exercise those powers set forth in the Colorado Fiduciaries' Powers Act, as amended after the date of this agreement. Settlor incorporates such act as it exists today by reference and makes it a part of this agreement.

ARTICLE XII
TRUSTEESHIP

1. APPOINTMENT OF CO-TRUSTEE OR SUBSTITUTE TRUSTEE: If for any reason trustee is unwilling or unable to act as to any property of the trust, or with respect to any provisions of this agreement, trustee may designate in writing an individual or bank or trust company to act as co-trustee or substitute trustee as to such property or with respect to such provisions, and may revoke any such designation at will. Each co-trustee or substitute trustee so acting shall exercise all fiduciary powers granted by this trust unless expressly limited by trustee in the instrument designating such co-trustee or substitute trustee. Any co-trustee or substitute trustee may resign at any time by written notice to trustee.

2. EXONERATION OF TRUSTEE: No trustee shall be obligated to examine the accounts, records, or acts, or in any way or manner be responsible for any act or omission to act on the part of any previous trustee or of the personal representative of settlor's probate estate. No trustee shall be liable to settlor or to any beneficiary for the consequences of any action taken by such trustee which would, but for the prior removal of such trustee or revocation of the trust created hereunder, have been a proper exercise by such trustee of the authority granted to trustee under this agreement, until actual receipt by such trustee of notice of such removal or revocation. Any trustee may acquire from the beneficiaries, or from their guardians or conservators, instruments in writing releasing such trustee from liability which may have arisen from the acts or omissions to act of such trustee, and indemnifying such trustee from liability therefor. Such instruments, if acquired from all then living beneficiaries, or from their guardians or conservators, shall be conclusive and binding upon all parties, born or unborn, who may have, or may in the future acquire, an interest in the trust.

3. RIGHTS OF SUCCESSOR TRUSTEES: Any successor trustee at any time serving hereunder, whether corporate or individual, shall have all of the title, rights, powers, and privileges, and be subject to all of the obligations and duties, both discretionary and ministerial, as herein and hereby given and granted to the original trustee hereunder, and shall be subject to any restrictions herein imposed upon the original trustee. Any fiduciary succeeding to the trust business of any corporate trustee shall become the successor trustee under this agreement with like powers, duties, and obligations.

4. RESIGNATION: Any trustee may resign by giving written notice to settlor, if living, to any adult beneficiary and to the parents of any minor beneficiary then eligible to receive current income, and to any other trustee then serving. Such written notice shall be delivered by hand or by certified mail and shall become effective upon the acceptance of appointment by the successor trustee.

5. REMOVAL OF TRUSTEE: Any trustee may be removed, without cause, by settlor, or if settlor is deceased or incapacitated, by a majority of the beneficiaries then eligible to receive income, by giving written notice to such trustee and to all other trustees then serving, effective in accordance with the provisions of the notice. In the case of a minor or incapacitated beneficiary, the conservator of the estate or, if none, the guardian of the person of such beneficiary may act on behalf of such beneficiary.

6. REPLACEMENT OF TRUSTEE: If any trustee shall cease to serve, settlor, or if settlor is deceased or incapacitated, a majority of the beneficiaries then eligible to receive income, may designate a successor trustee. In the case of a minor or incapacitated beneficiary, the conservator of the estate or, if none, the guardian of the person of such beneficiary may act on behalf of such beneficiary. If any vacancy is not filled within 30 days after the vacancy arises, then any beneficiary or his or her legal guardian or conservator may petition a court of competent

jurisdiction to designate a successor trustee to fill such vacancy. By making such designation, such court shall not thereby acquire any jurisdiction over the trust, except to the extent necessary for making such designation. Any successor trustee designated hereunder may be an individual or may be a bank or trust company authorized to serve in such capacity under applicable federal or state law.

ARTICLE XIII ADMINISTRATIVE PROVISIONS

1. COURT PROCEEDINGS: The trust estate shall be administered expeditiously consistent with its provisions, free of judicial intervention, and without order, approval, or action of any court. It shall be subject only to the jurisdiction of a court being invoked by trustee or by other interested parties or as otherwise provided by law. Proceedings to seek instructions or court determinations shall be initiated in the court having original jurisdiction over matters relating to the construction and administration of trusts.
2. NO BOND: No trustee acting under this trust shall be required to furnish any bond for the faithful performance of such trustee's duties, but if bond is ever required by any law or court rule, no surety shall be required on such bond.
3. COMPENSATION: Trustee shall be entitled to reasonable compensation commensurate with services actually performed and to be reimbursed for expenses properly incurred.
4. INALIENABILITY: No beneficiary shall have any right to anticipate, sell, assign, mortgage, pledge or otherwise dispose of or encumber all or any part of any trust estate established for his or her benefit under this agreement. No part of such trust estate, including income, shall be liable for the debts or obligations of any beneficiary or be subject to attachment, garnishment, execution, creditor's bill or other legal or equitable process.
5. UNDISTRIBUTED INCOME AT DEATH OF BENEFICIARY: Except as otherwise provided with respect to the Marital Trust, upon the death of any beneficiary entitled to receive income from any trust established under this agreement, all accrued or undistributed income held for the account of such beneficiary shall be treated as if it had accrued or been received immediately following the death of such beneficiary.
6. PROTECTION AGAINST PERPETUITIES RULE: All trusts created hereunder shall in any event terminate no later than 21 years after the death of the last survivor of the group composed of settlor and those of settlor's descendants living at settlor's death. The property held in trust shall be discharged of any trust and shall immediately vest in and be distributed to the persons then entitled to the income therefrom in the proportions in which they are beneficiaries of the income, and for this purpose only, any person then eligible to receive discretionary payments of income of a particular trust shall be treated as being entitled to

receive the income, and if two or more persons are so treated, the group of such persons shall be treated as being entitled to receive such income as a class, to be distributed among them, by representation.

7. REPRESENTATIVE OF BENEFICIARY: The conservator of the estate or, if none, the guardian of the person of a beneficiary may act for such beneficiary for all purposes under this agreement or may receive information on behalf of such beneficiary.

8. MAJORITY CONTROL: In all matters pertaining to the administration of any trust under this agreement, when more than two trustees are acting, the concurrence and joinder of a majority of such trustees shall control; but any trustee may dissent or abstain from a decision of the majority. Such trustee shall be absolved from personal liability by registering such dissent or abstention in the records of such trust, and shall thereafter act with the other trustees in any way necessary or appropriate to effectuate the decision of the majority. If two trustees are acting, however, the joinder of both of them shall be required.

9. DELEGATION: Any trustee may delegate to any other trustee the exercise of any powers, discretionary or otherwise, and may revoke any such delegation. Such delegation and revocation shall be in writing executed by the delegating trustee and delivered to such other trustee. While such delegation is in effect, any of the delegated powers may be exercised or action may be taken by the trustee receiving the delegation with the same force and effect as if the delegating trustee had personally joined in the exercise of such power or the taking of such action. Anyone dealing with the trustee may rely upon the written statement of the delegating trustee relative to the fact and extent of such delegation.

10. CUSTODY: At any time there is a corporate trustee acting, such corporate trustee shall be the custodian of the trust property and of the books and records of the trust. It may perform all ministerial acts necessary for the acquisition and transfer of personal property and money, including the signing and endorsement of checks, receipts, stock certificates, and other instruments. No person need inquire into the propriety of any such act.

11. RELEASE OF POWERS: Any trustee may release, in whole or in part, temporarily or permanently, any power, authority, or discretion conferred by this agreement by a writing delivered to each co-trustee and to each beneficiary then eligible to receive income distributions from any trust or, if none, to all ascertainable beneficiaries. Such renunciation or release shall not affect the grant of power, authority, or discretion renounced or released.

12. REPORTS: Trustee shall report no less frequently than annually to settlor, to all adult beneficiaries and to the parents of any minor beneficiaries then eligible to receive current income, all the receipts, disbursements, and distributions during the reporting period, and property then held as the principal of the trust. The records of the trust

shall be open at all reasonable times to inspection by settlor and by the beneficiaries of the trust and their representatives.

13. LITIGATION POWERS: Trustee, in its discretion and at the expense of the trust estate, may institute, join, compromise, settle, dismiss, and defend this trust and any property administered hereunder in any judicial or administrative proceeding; specifically including but not limited to proceedings or class actions brought against any public entity or government agency or brought by any such entity for attachment, recoupment, levy, invasion, reformation, or access of any kind to property of the trust. Trustee is authorized to retain such legal counsel and ancillary personnel as the trustee deems appropriate in the exercise of its discretion hereunder.

14. POWERS OF INSURED TRUSTEE: No individual trustee hereunder, other than settlor, may exercise any power conferred on the owner of any policy which insures the life of such individual trustee and which is held as trust property. If the trust holds any such policy as property, the powers conferred upon the owner of such policy shall be exercised by the other then acting trustee or trustees, and if the insured trustee is the sole trustee, then such powers shall be exercised by a substitute trustee designated pursuant to the provisions of this agreement dealing with the trusteeship.

15. LIMITATIONS ON POWER OF INTERESTED TRUSTEE: No individual trustee hereunder, other than settlor, shall exercise or participate in the exercise of discretion with respect to the distribution of income or principal, or the termination of any trust administered hereunder: (a) to or for the benefit of such trustee; or to or for the benefit of any beneficiary in whom is vested at the time of such exercise the power to remove or to participate in the removal of such trustee or to designate or to participate in the designation of a replacement, which power can be exercised by the beneficiary without the consent or joinder of at least one other person having a substantial interest in the trust estate which is adverse to that of the beneficiary; to the extent that the exercise of such discretion is in excess of that which is necessary for the education, health, maintenance, and/or support of such trustee or of such beneficiary, as the case may be; (b) to any person such trustee or any such beneficiary is legally obligated to support, to the extent such distribution is for the purpose of discharging such support obligation; or (c) which would cause the disqualification of an otherwise qualified disclaimer.

ARTICLE XIV GENERAL PROVISIONS

1. ADOPTED CHILDREN: A child adopted by any person and the descendants by blood or adoption of such child shall be considered the descendants of such adopting person and of such person's ancestors if the adoption is by legal proceeding while the child is under the age of 21.

2. APPLICABLE LAW: The validity and construction of this agreement shall be determined by the laws of Colorado. Questions of administration of any trust established under this agreement shall be determined by the laws of the situs of administration of such trust.

3. BY REPRESENTATION: Whenever a distribution to descendants by representation is called for by this agreement, the distributable assets are to be divided into as many shares as there are, at the time such assets are distributable, descendants in the nearest degree of kinship and then deceased descendants in the same degree who left then living descendant. Each then living descendant in the nearest degree shall receive one share and the share of each then deceased descendants in the same degree shall be divided among his descendants in the same manner.

4. CONSTRUCTION: Unless the context requires otherwise, words denoting the singular may be construed as denoting the plural. Words of the plural may be construed as denoting the singular. Words of one gender may be construed as denoting another gender, if appropriate.

5. EDUCATION: Under this agreement, distributions for education may, in trustee's discretion, include the cost of tuition, fees, books, supplies, living expenses, and travel, to the extent they are reasonable. The term "education" means:

(A) Study or instruction at, or under the auspices of, an accredited educational institution (the term "accredited educational institution" means a public or private elementary or secondary school; a college or university granting undergraduate or graduate degrees; or a trade school or other institution for specialized, vocational, or professional training; if such school, college, university, trade school, or other institution provides an academic curriculum, employs a full-time faculty, offers classes on a campus, and enjoys a currently effective accreditation from a generally recognized accreditation board); and

(B) Study or instruction which trustee, in its discretion, considers appropriate for a beneficiary who has special needs or abilities which are not likely to be served by an accredited educational institution.

6. HEADINGS AND TITLES: The headings and paragraph titles are for reference only.

7. INCAPACITY: For the purposes of this agreement, an individual may be treated as being disabled, incompetent, or incapacitated if so declared or adjudicated by an appropriate court; or if a guardian, conservator, or other personal representative of such individual's person or estate or both has been appointed by an appropriate court; or if certified in writing by his or her personal physician to be unable to properly manage his or her financial affairs.

8. IRC: IRC shall refer to the Internal Revenue Code of the United States. Any reference to specific sections of the IRC shall include

sections of like or similar import which replace the specific sections as a result of changes to the IRC made after the date of this agreement.

9. OTHER DEFINITIONS: Except as otherwise provided in this agreement, terms shall be as defined in the Colorado Probate Code as amended after the date of this agreement and after settlor's death.

10. PERSONAL REPRESENTATIVE: For the purposes of this agreement, the term "personal representative" shall include an executor, administrator, guardian, conservator, or any other form of personal representative, depending upon the context in which such term occurs.

11. SURVIVORSHIP: Any beneficiary shall be deemed to have predeceased settlor if such beneficiary dies within 30 days after the date of settlor's death.

12. TRUSTEE DEFINITION: As used throughout this agreement, the word "trustee" shall always refer to the original trustee as well as to any successor, replacement or additional person, corporation or other entity from time to time acting, whether in fact there shall be one or more trustees acting from time to time.

13. SEVERABILITY. If any part of this agreement shall be adjudicated to be void or invalid, the remaining provisions not specifically so adjudicated shall remain in full force and effect.

SIGNED by SCOTT H. HARTVIGSON effective the day and year first above written.

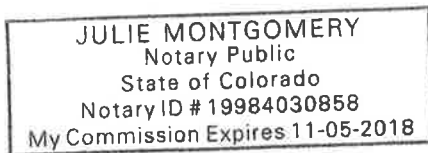


SCOTT H. HARTVIGSON, Settlor and Trustee

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

The foregoing trust agreement was acknowledged before me by SCOTT
H. HARTVIGSON, as settlor and trustee, on JUNE 27, 2018.
Witness my hand and official seal.

My commission expires NOV. 5 2018.




Notary Public

OPERATING AGREEMENT

OF

BRIER ROSE RANCH, LLC

Dated as of November 5, 2013

251



CERTIFICATE OF ORGANIZATION FILED EFFECTIVE LIMITED LIABILITY COMPANY

(Instructions on back of application)

NOV -5 AM 11:53

SECRETARY OF STATE
STATE OF IDAHO

1. The name of the limited liability company is:

Brier Rose Ranch, LLC

2. The complete street and mailing addresses of the initial designated office:

2795 S. E. Grapevine Road, Idledale, Colorado 80453

(Street Address)

PO BOX 246, Idledale, Colorado 80453

(Mailing Address, if different than street address)

3. The name and complete street address of the registered agent:

Verdell Olson

(Name)

151 Geertson Cr. Road, Salmon, Idaho 83487

(Street Address)

4. The name and address of at least one member or manager of the limited liability company:

Name

Address

Scott Hartvigson

2795 S. E. Grapevine Road, Idledale, Colorado, 80453

5. Mailing address for future correspondence (annual report notices):

PO BOX 246, 2795 S. E. Grapevine Road, Idledale, Colorado, 80453

6. Future effective date of filing (optional):

Signature of a manager, member or authorized person.

Signature

Typed Name: Scott Hartvigson

Signature

Typed Name:

Secretary of State use only

IDAHO SECRETARY OF STATE

11/05/2013 05:00

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OPERATING AGREEMENT

OF

BRIER ROSE RANCH, LLC

This Operating Agreement of Brier Rose Ranch, LLC, an Idaho limited liability company organized pursuant to the Idaho Limited Liability Company Act, is entered into and shall be effective as of July 8, 2013, by, between and among the Company and the persons executing this Operating Agreement as Members.

ARTICLE 1 DEFINITIONS

For purposes of this Operating Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

1.1 Act. The Idaho Limited Liability Company Act and all amendments to the Act.

1.2 Additional Member. A Member other than an Initial Member or a Substituted Member who has acquired a Membership Interest from the Company.

1.3 Affiliate. When used with reference to a specified Person, (i) any Person that directly or indirectly controls or is controlled by or is under common control with the specified Person or (ii) any person that is an officer of, partner in or trustee of, or serves in a similar capacity with respect to, the specified Person or of which the specified Person is an officer, partner or trustee, or with respect to which the specified Person serves in a similar capacity.

1.4 Articles. The Articles of Organization of the Company as properly adopted and amended from time to time by the Members and filed with the Secretary of State.

1.5 Assignee. A transferee of an Economic Right who has not been admitted as a Substituted Member. Until admitted as a Substituted Member, an Assignee shall have no rights in the Company except the rights of a holder of an Economic Right.

1.6 Assignor. A person who either voluntarily or involuntarily transfers a Membership Interest, Economic Right, or part thereof.

1.7 Board of Managers or Board. Shall mean the Board of Managers described in Section 10.1.1.

1.8 Capital Account. The account maintained for a Member or Assignee determined in accordance with Article 6.

1.9 Capital Contribution. Any contribution of Property, services or the obligation to contribute Property or services made by or on behalf of a Member or Assignee.

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1.4 Articles. The Articles of Organization of the Company as properly adopted and amended from time to time by the Members and filed with the Secretary of State.

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1.8 Capital Account. The account maintained for a Member or Assignee determined in accordance with Article 6.

1.9 Capital Contribution. Any contribution of Property, services or the obligation to contribute Property or services made by or on behalf of a Member or Assignee.

- 1.10 Code.** The Internal Revenue Code of 1986 as amended from time to time.
- 1.11 Company.** Brier Rose Ranch, LLC and any successor limited liability company.
- 1.12 Distribution.** A transfer of Property to a Member or Assignee.
- 1.13 Economic Right.** The right to a share of the Company's Distributions, Profits, Losses and any other items allocable to any period pursuant to the Act, the Articles and this Operating Agreement.
- 1.14 Initial Members.** That person, or those persons identified on *Exhibit A* attached hereto and made a part hereof by this reference who have executed this Operating Agreement.
- 1.15 Losses.** The losses and deductions of the Company as reported separately or in the aggregate, as appropriate, on the tax return of the Company filed for federal income tax purposes.
- 1.16 Majority.** One or more Members whose Units, taken together, exceed fifty percent (50%) of the aggregate of all the Members' Units outstanding, or, in the case of Managers, a majority in number of the Managers.
- 1.17 Majority Approval of the Managers.** The affirmative vote or written consent of a Majority of the Managers.
- 1.18 Majority Approval of the Members.** The affirmative vote or written consent of a Majority of the Members.
- 1.19 Managers.** The Persons designated as the Managers in Section 10.1 and any other Person who may become a successor, substitute or additional Manager as provided in Article 10.
- 1.20 Member.** Initial Member or Substituted Member or Additional Member.
- 1.21 Membership Interest.** The ownership interest of a Member in the Company, including the Economic Right, the Voting Right, and the right to receive information pertaining to the Company's affairs, together with the obligation to comply with all the terms and provisions of this Operating Agreement.
- 1.22 Operating Agreement.** This Operating Agreement including any amendments adopted in accordance with this Operating Agreement and the Act.
- 1.23 Person.** An individual, trust, estate, or any incorporated or unincorporated organization permitted to be a member of a limited liability company under the laws of the state of Idaho.

- 1.10 Code.** The Internal Revenue Code of 1986 as amended from time to time.
- 1.11 Company.** Brier Rose Ranch, LLC and any successor limited liability company.
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- 1.13 Economic Right.** The right to a share of the Company's Distributions, Profits, Losses and any other items allocable to any period pursuant to the Act, the Articles and this Operating Agreement.
- 1.14 Initial Members.** That person, or those persons identified on *Exhibit A* attached hereto and made a part hereof by this reference who have executed this Operating Agreement.
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1.24 Profits. The income and gains of the Company as reported separately or in the aggregate, as appropriate, on the tax return of the Company filed for federal income tax purposes.

1.25 Property. Any property, real or personal, tangible or intangible, including money and any legal or equitable interest in such property, but excluding services and promises to perform services in the future.

1.26 Regulations. Except where the context indicates otherwise, the permanent, temporary, proposed, or proposed and temporary regulations of the Department of the Treasury under the Code as such regulations may be lawfully changed from time to time.

1.27 Substituted Member. An Assignee who has been admitted to all of the rights of membership pursuant to this Operating Agreement.

1.28 Transfer. Shall mean any assignment, transfer, exchange, sale, mortgage, pledge, encumbrance, grant, hypothecation, gift, bequest or other transfer of any Membership Interest or Economic Right to someone not already a Member, whether or not for value and whether or not by operation of law.

1.29 Unanimous Approval of the Members. The affirmative vote or written consent of all of the Members.

1.30 Unit. An ownership interest in the Company used to calculate the allocation of Profits and Losses, the Distributions, the voting percentage of Members, and other purposes specified in the Agreement.

1.31 Unit Ledger. Ledger to be maintained by the Company listing each Member and Assignee and their addresses, number of Units owned, and other relevant information.

1.32 Voting Right. The right of a Member to vote on Company matters or otherwise participate in the management of the Company.

ARTICLE 2 FORMATION

2.1 Organization. The Members hereby organize the Company as an Idaho limited liability company pursuant to the provisions of the Act.

2.2 Operating Agreement. For and in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Members executing this Operating Agreement hereby agree to the terms and conditions of this Operating Agreement, as it may from time to time be amended according to its terms. It is the express intention of the Members that this Operating Agreement shall be the sole source of agreement of the parties, and, except to the extent a provision of this Operating Agreement expressly incorporates federal income tax rules by reference to sections of the Code or Regulations or is expressly prohibited or ineffective under the Act, this Operating

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2.3 Name. The name of the Company is Brier Rose Ranch, LLC, and all business of the Company shall be conducted under that name or under any other name, but in any case, only to the extent permitted by applicable law.

2.4 Term. The Company shall have perpetual existence unless the Company is dissolved in accordance with Section 14.1.

2.5 Registered Agent and Office. The registered agent for the service of process and the registered office shall be that Person or entity and location reflected in the Articles as filed in the office of the Secretary of State of Idaho. The Company may, from time to time, change the registered agent or office through appropriate filings with the Secretary of State of Idaho.

2.6 Principal Office. The principal office of the Company shall be located in Boise, Idaho, or such other location as the Members may choose. The Company may have such other offices as the Members may designate or as the business of the Company may require from time to time.

ARTICLE 3 NATURE OF BUSINESS

3.1 Business of the Company. The business of the Company shall be:

3.1.1 To own, operate and manage real property in Baker, Idaho.

3.1.2 To accomplish any lawful business or activity whatsoever, or which shall at any time appear conducive to or expedient for the protection or benefit of the Company and its assets.

3.1.3 To exercise all other powers necessary to or reasonably connected with the Company's business or activities which may be legally exercised by limited liability companies under the Act.

3.1.4 To engage in all activities necessary, customary, convenient, or incident to any of the foregoing.

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3.1.4 To engage in all activities necessary, customary, convenient, or incident to any of the foregoing.

ARTICLE 4

ACCOUNTING AND RECORDS

4.1 Records to be Maintained. The Company shall maintain the following records and information, at the Company's principal office:

4.1.1 A listing of each current and past Member, setting forth the full name and last known mailing address of each;

4.1.2 A copy of the Articles and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any Articles have been executed;

4.1.3 A copy of this Operating Agreement, including all amendments thereto, and copies of any prior written operating agreement no longer in effect;

4.1.4 A record of the Capital Account for each Member;

4.1.5 Copies of the Company's federal, foreign, state and local income tax returns and reports, if any, for the five (5) most recent years; and

4.1.6 A Unit Ledger showing the name, address, and number of Units of each Member and Assignee.

4.2 Reports to Members. The Company shall provide all Members with those information returns required by the Code and the laws of any state in which the Company operates.

ARTICLE 5

UNITS, INITIAL MEMBERS AND ADDITIONAL MEMBERS

5.1 Units. All ownership interests in the Company shall be denominated in Units. The Company hereby authorizes and may issue up to Ten Thousand (10,000) Units. The Members, by the Majority Approval of the Members, may authorize the issuance of additional Units. Each Unit will have the rights and obligations set forth in this Operating Agreement.

5.2 Initial Members. The names, addresses and Units of the Initial Members are as reflected on *Exhibit A* attached hereto and by this reference made a part hereof.

5.3 Additional Members. Additional Members may be admitted only by the Unanimous Approval of the Members. Any Additional Member shall make such Capital Contribution as is required by the Unanimous Approval of the Members and shall receive the appropriate number of Units for such Capital Contribution. The Unit Ledger will be revised to specify the value of the Additional Member's Capital Contribution, and to describe such Capital Contribution and the number of Units issued for the Capital Contribution. Notwithstanding the foregoing, a Person shall not become an Additional Member unless and until such Person becomes a party to this Operating Agreement as a Member by signing a counterpart signature page to this Operating Agreement and executing such documents and instruments as the Board of

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5.2 Initial Members. The names, addresses and Units of the Initial Members are as reflected on *Exhibit A* attached hereto and by this reference made a part hereof.

5.3 Additional Members. Additional Members may be admitted only by the Unanimous Approval of the Members. Any Additional Member shall make such Capital Contribution as is required by the Unanimous Approval of the Members and shall receive the appropriate number of Units for such Capital Contribution. The Unit Ledger will be revised to specify the value of the Additional Member's Capital Contribution, and to describe such Capital Contribution and the number of Units issued for the Capital Contribution. Notwithstanding the foregoing, a Person shall not become an Additional Member unless and until such Person becomes a party to this Operating Agreement as a Member by signing a counterpart signature page to this Operating Agreement and executing such documents and instruments as the Board of

Managers may reasonably request to confirm such Person as a Member in the Company and such Person's agreement to be bound by the terms and conditions of this Operating Agreement.

5.3.1 Report to Members. When a Person becomes an Additional Member, the Board of Managers shall provide a report to all Members and any Assignees informing them of the Additional Member, the Additional Member's Capital Contribution, and the number of Units issued to the Additional Member.

5.3.2 Accounting. The Board of Managers may at the time an Additional Member is admitted close the Company books (as though the Company's tax year had ended) or make pro rata allocations of Profit or Loss to an Additional Member for that portion of the Company's tax year in which such Member was admitted in accordance with the provisions of Code Section 706(d) and the Regulations thereunder.

ARTICLE 6 CONTRIBUTIONS AND CAPITAL ACCOUNTS

6.1 Initial Contributions. Each Initial Member shall make the Capital Contribution described for that Member on *Exhibit A* on the terms specified on *Exhibit A*. The value of the Capital Contributions shall be as set forth on *Exhibit A*. No interest shall accrue on any Capital Contribution, and no Member shall have the right to withdraw or be repaid any Capital Contribution except as provided in this Operating Agreement.

6.2 Additional Contributions. If, at any time, the income from operation of the Company and the Company's liquid assets are insufficient to cover the Company's operating expenses or debt service, or if it reasonably appears that the Company will be unable to meet in a timely manner any of its obligations as they mature, the Company the Unanimous Approval of the Members may require that additional Capital Contributions be made to the Company. The Company shall determine the amount of additional contribution needed and the Units to be issued for the additional contribution. A notice, which shall be contained in a writing sent to all Members, shall set forth the amount of the additional contribution, the purpose for which the additional contribution is needed, the Units to be issued for the additional contribution, and the date by which the Members shall contribute. Each Member shall be obligated to contribute its proportionate share (based on the Units owned by each of them) of the additional Capital Contribution. Upon receipt of the additional Capital Contributions, the Board of Managers shall issue the appropriate number of Units and shall revise the Unit Ledger to specify the amount and nature of the additional Capital Contribution and the number of Units issued related to such additional Capital Contribution.

6.3 Enforcement of Capital Contributions Due. In the event any Member fails to make a Capital Contribution required pursuant to this Operating Agreement (a "Delinquent Member"), the Company shall give the Delinquent Member a notice of such failure. If the Delinquent Member fails to make the Capital Contribution due within thirty (30) business days of the giving of notice, the following actions may be taken:

6.3.1 The Company may allow the other Members, in proportion to their Units, to loan the amount of the Capital Contribution due that is not made by a Delinquent

Managers may reasonably request to confirm such Person as a Member in the Company and such Person's agreement to be bound by the terms and conditions of this Operating Agreement.

5.3.1 Report to Members. When a Person becomes an Additional Member, the Board of Managers shall provide a report to all Members and any Assignees informing them of the Additional Member, the Additional Member's Capital Contribution, and the number of Units issued to the Additional Member.

5.3.2 Accounting. The Board of Managers may at the time an Additional Member is admitted close the Company books (as though the Company's tax year had ended) or make pro rata allocations of Profit or Loss to an Additional Member for that portion of the Company's tax year in which such Member was admitted in accordance with the provisions of Code Section 706(d) and the Regulations thereunder.

ARTICLE 6 CONTRIBUTIONS AND CAPITAL ACCOUNTS

6.1 Initial Contributions. Each Initial Member shall make the Capital Contribution described for that Member on *Exhibit A* on the terms specified on *Exhibit A*. The value of the Capital Contributions shall be as set forth on *Exhibit A*. No interest shall accrue on any Capital Contribution, and no Member shall have the right to withdraw or be repaid any Capital Contribution except as provided in this Operating Agreement.

6.2 Additional Contributions. If, at any time, the income from operation of the Company and the Company's liquid assets are insufficient to cover the Company's operating expenses or debt service, or if it reasonably appears that the Company will be unable to meet in a timely manner any of its obligations as they mature, the Company the Unanimous Approval of the Members may require that additional Capital Contributions be made to the Company. The Company shall determine the amount of additional contribution needed and the Units to be issued for the additional contribution. A notice, which shall be contained in a writing sent to all Members, shall set forth the amount of the additional contribution, the purpose for which the additional contribution is needed, the Units to be issued for the additional contribution, and the date by which the Members shall contribute. Each Member shall be obligated to contribute its proportionate share (based on the Units owned by each of them) of the additional Capital Contribution. Upon receipt of the additional Capital Contributions, the Board of Managers shall issue the appropriate number of Units and shall revise the Unit Ledger to specify the amount and nature of the additional Capital Contribution and the number of Units issued related to such additional Capital Contribution.

6.3 Enforcement of Capital Contributions Due. In the event any Member fails to make a Capital Contribution required pursuant to this Operating Agreement (a "Delinquent Member"), the Company shall give the Delinquent Member a notice of such failure. If the Delinquent Member fails to make the Capital Contribution due within thirty (30) business days of the giving of notice, the following actions may be taken:

6.3.1 The Company may allow the other Members, in proportion to their Units, to loan the amount of the Capital Contribution due that is not made by a Delinquent

Member. Such loan shall bear interest at the then current prime rate as announced by the Wall Street Journal plus 2%. Until the loan is fully repaid, no Distributions shall be made to any Member or Assignee except those pursuant to Section 7.2.6. Notwithstanding the foregoing, no Capital Contribution due or other obligation to make an additional contribution may be enforced by a creditor of the Company unless the Member expressly consents to such enforcement or to the assignment of the obligation to such creditor.

6.4 Maintenance of Capital Accounts. The Company shall establish and maintain Capital Accounts for each Member and Assignee. Each Member's Capital Account shall be increased by (1) the amount of any money actually contributed by the Member to the capital of the Company, (2) the fair market value of any Property contributed, as determined by the Company and the contributing Member at arm's length at the time of contribution (net of liabilities assumed by the Company or net of liabilities which the Company takes such Property subject to, within the meaning of Section 752 of the Code), and (3) the Member's share of Profits and of any separately allocated items of income or gain except adjustments pursuant to the Code (including any gain and income from unrealized income with respect to accounts receivable allocated to the Member to reflect the difference between the book value and tax basis of assets contributed by the Member). Each Member's Capital Account shall be decreased by (1) the amount of any money actually distributed to the Member, (2) the fair market value of any Property distributed to the Member, as determined by the Company and the contributing Members at arm's length value at the time of distribution (net of liabilities of the Company assumed by the Member or net of liabilities which the Member takes such Property subject to within the meaning of Section 752 of the Code), and (3) the Member's share of Losses and of any separately allocated items of deduction or loss (including any loss or deduction allocated to the Member to reflect the difference between the book value and tax basis of assets contributed by the Member).

6.5 Distribution of Assets. If the Company at any time distributes any of its assets in-kind to any Member, the Capital Account of each Member shall be adjusted to account for that Member's allocable share (as determined under Article 7 below) of the Profits or Losses that would have been realized by the Company had it sold the assets that were distributed at their respective fair market values immediately prior to their distribution.

6.6 Sale or Exchange. In the event of a sale or exchange of some or all of a Membership Interest or Economic Right in the Company, the Capital Account, or pro rata share if a partial transfer, of the transferring Member or Assignee shall be transferred to, and become the capital account of the purchasing Member or Assignee.

6.7 Revaluation of Company Property. The Capital Accounts of the Members shall be increased or decreased to reflect a revaluation of Company Property as of the following times: (1) receipt of a Capital Contribution (of other than a de minimis amount) by a new or existing Member; (2) the Distribution (of other than a de minimis amount) by the Company to a Member or Assignee as consideration for an interest in the Company; or (3) the liquidation of the Company. At the time of such revaluation, the book value of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Company and the resulting unrealized Profits or Losses shall be allocated among the Members and Assignees in accordance with Article 7.

Member. Such loan shall bear interest at the then current prime rate as announced by the Wall Street Journal plus 2%. Until the loan is fully repaid, no Distributions shall be made to any Member or Assignee except those pursuant to Section 7.2.6. Notwithstanding the foregoing, no Capital Contribution due or other obligation to make an additional contribution may be enforced by a creditor of the Company unless the Member expressly consents to such enforcement or to the assignment of the obligation to such creditor.

6.4 Maintenance of Capital Accounts. The Company shall establish and maintain Capital Accounts for each Member and Assignee. Each Member's Capital Account shall be increased by (1) the amount of any money actually contributed by the Member to the capital of the Company, (2) the fair market value of any Property contributed, as determined by the Company and the contributing Member at arm's length at the time of contribution (net of liabilities assumed by the Company or net of liabilities which the Company takes such Property subject to, within the meaning of Section 752 of the Code), and (3) the Member's share of Profits and of any separately allocated items of income or gain except adjustments pursuant to the Code (including any gain and income from unrealized income with respect to accounts receivable allocated to the Member to reflect the difference between the book value and tax basis of assets contributed by the Member). Each Member's Capital Account shall be decreased by (1) the amount of any money actually distributed to the Member, (2) the fair market value of any Property distributed to the Member, as determined by the Company and the contributing Members at arm's length value at the time of distribution (net of liabilities of the Company assumed by the Member or net of liabilities which the Member takes such Property subject to within the meaning of Section 752 of the Code), and (3) the Member's share of Losses and of any separately allocated items of deduction or loss (including any loss or deduction allocated to the Member to reflect the difference between the book value and tax basis of assets contributed by the Member).

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ARTICLE 7 ALLOCATIONS AND DISTRIBUTIONS

7.1 Profits and Losses.

7.1.1 Subject to the allocation rules in *Exhibit C*, Profits for any fiscal year shall be allocated among the Members and Assignees in proportion to their Units.

7.1.2 Subject to the allocation rules in *Exhibit C*, Losses for any fiscal year shall be allocated among the Members and Assignees in proportion to their Units. In no event will any Losses or deduction or items thereof be allocated to any Member to the extent that a Member has, or would have as a result of such allocation, a deficit in the Member's Capital Account as of the end of the taxable year to which the allocation relates.

7.1.3 The Members are aware of the income tax consequences of the allocations made by this Article 7 and agree to be bound by the provisions of this Article 7 in reporting their shares of Company income and loss for income tax purposes.

7.2 Distributions to the Members.

7.2.1 Non-Liquidating Distributions. Distributions shall be paid to the Members and Assignees only at such times and in such amounts as the Members may authorize and shall be made in proportion to their Units.

7.2.2 Liquidating Distributions. Notwithstanding Section 7.2.1, Distributions in liquidation of the Company shall be made to each Member and Assignee in accordance with his positive Capital Account balance, after adjustment for Profits or Losses recognized by the Company in connection with such liquidation. The time and method of making Distributions described in this Section 7.2.2 shall comply with Treasury Regulations Section 1.704-1(b) or, if no such regulations apply, shall be made as soon as possible after dissolution.

7.2.3 Distributions in Kind. Non-cash assets, if any, shall be distributed at their fair market value at the time of Distribution in a manner that reflects how cash proceeds from the sale of such assets for such fair market value would have been distributed (after any unrealized Profits or Losses attributable to such non-cash assets have been allocated among the Members in accordance with Section 7.1).

7.2.4 Withholding; Amounts Withheld Treated as Distributions. The Company is authorized to withhold from Distributions, or with respect to allocations or payments, to Members and to pay over to the appropriate federal, state or local governmental authority any amounts required to be withheld pursuant to the Code or provisions of applicable state or local law. All amounts withheld pursuant to the preceding sentence in connection with any payment, Distribution or allocation to any Member or Assignee (other than a payment to a Member or Assignee in a capacity other than as a Member or Assignee) shall be treated as Distributions to such Member pursuant to this Article 7.

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7.2.5 Limitations on Distributions. Notwithstanding anything herein to the contrary, no Distribution shall be declared and paid if such Distribution shall violate the limitations on Distributions set forth in the Act. No Distributions may be made by the Company except as provided in this Operating Agreement.

7.2.6 Distribution to Cover Taxes. Notwithstanding any of the foregoing, not later than March 15th of each year the Company shall review its income that shall be considered taxable to the Members for the year just concluded and shall make a good faith estimate of the amount of federal and state income taxes (using a combined average tax rate of 30%) which will be payable by all Members on account of such income. If the cash position of the Company is sufficient to allow a distribution of the amount of such estimated taxes, then the Company shall distribute, no later than April 15th, to the Members and Assignees such amount in proportion to their Units.

ARTICLE 8 RIGHTS AND DUTIES OF MEMBERS

8.1 Management Rights. The management of the Company shall be conducted by the Board of Managers as provided in Article 10. Notwithstanding Article 10, the Member's vote shall be necessary to take the action specified in this Article 8.

8.2 Actions Requiring Majority Approval of the Members. The Majority Approval of the Members (or such greater percentage as may be specified in this Operating Agreement) shall be necessary to take any of the following actions:

8.2.1 Any activity outside the ordinary business transacted by the Company;

8.2.2 The contracting and incurring of any liability for or on behalf of the Company in the ordinary course of business of the Company in excess of \$5,000;

8.2.3 The borrowing for or on behalf of the Company of money or the mortgaging, deeding in trust, pledging or otherwise encumbering of Company assets to secure repayment of the money so borrowed involving an amount in excess of \$5,000 at any one time and \$10,000 cumulatively;

8.2.4 The commitment of the Company to any improvement involving capital expenditures in excess of \$500;

8.2.5 Take any action for which approval of the Members is otherwise required by this Operating Agreement;]

8.2.6 Elect a Manager;

8.2.7 Increase or decrease the number of Managers;

8.2.8 Make a Distribution other than in accordance with Sections 7.2.2 or 7.2.6;

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8.2.7 Increase or decrease the number of Managers;

8.2.8 Make a Distribution other than in accordance with Sections 7.2.2 or 7.2.6;

8.2.9 Effect any merger, consolidation or other business combination of the Company with any other Person; and

8.2.10 Approve any action submitted to the Members by the Managers that is a result of a deadlock between the Managers pursuant to Section 10.4.1.

8.3 Actions Requiring Unanimous Approval of the Members. The Unanimous Approval of the Members shall be necessary to take any of the following actions:

8.3.1 To divide, sub-divide, lease or sell any real property owned or held by the Company;

8.3.2 Require any Member to make any additional Capital Contribution, as provided in Section 6.2;

8.3.3 Consent to the transfer of a Membership Interest to a Person, as provided in Section 13.2.2;

8.3.4 Admit an Assignee as a Substituted Member;

8.3.5 The execution of any contract with a Member or an Affiliate of a Member, or approving or taking any action regarding any contract or transaction with a Member or an Affiliate of a Member, or in which a Member or an Affiliate of a Member has a direct economic interest;

8.3.6 The continuation of the Company after a dissolution event defined in Section 14.1; and

8.3.7 The authorization of a Member to do any act on behalf of the Company that contravenes this Operating Agreement.

8.4 Exceptions for Budgeted Items. The limitations contained in Section 8.2 above shall not apply to items in the Company's operating or capital budgets which have received the Majority Approval of the Members.

8.5 Liability of Members. No Member shall be personally liable for any debts, obligations or liabilities of the Company, except as otherwise provided by law. The failure of the Company to observe any formalities or requirements relating to the exercise of its power or management of its business or affairs under this Operating Agreement or the Act shall not be grounds for imposing personal liability on the Members for liabilities of the Company.

8.6 Inspection of Records. Upon reasonable request and written notice to the Company, each Member shall have the right during ordinary business hours to inspect and copy at such Member's expense the records of the Company described in Section 53-625 of the Act.

8.7 No Priority and Return of Capital. Except as provided in Sections 7.2.2 and 7.2.4, no Member or Assignee shall have priority over any other Member or Assignee, either

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8.8 Withdrawal of Member. No Member shall have any right to voluntarily resign or otherwise withdraw as a Member, or to Transfer a Membership Interest except pursuant to Article 13.

8.9 Financial Reports. Each Member shall be provided with annual financial statements prepared as soon as practicable, but in any event within 120 days after the end of each fiscal year. A copy of the tax return for the Company may serve as an annual financial statement unless a Member otherwise requests.

8.10 Indemnifications.

8.10.1 The Company shall indemnify and hold harmless, and may advance expenses to, the Members, Managers and agents for all costs, losses, liabilities and damages paid or accrued by such Member, Managers or agent in connection with the business of the Company, to the fullest extent provided or allowed by the laws of the state of Idaho, except that the Company shall not be obligated to indemnify any Member, Manager or agent for acts which were taken in bad faith, with a harmful or wrongful intent or which result from gross negligence.

8.10.2 Each Member shall indemnify the other Members for all losses or damages which arise from any breach of this Operating Agreement by the indemnifying Member.

8.11 Member Time Commitments. No Member shall be required to devote any particular amount of time to the affairs of the Company by virtue of that Member's status as a Member.

8.12 Member Compensation, Expenses of Members. No Member shall be entitled to any compensation for performance of services required by virtue of a Member's status as a Member. Any Member and any Affiliate of any Member may receive reasonable compensation from the Company directly or indirectly, for services rendered or to be rendered, goods or Property furnished or to be furnished, or other consideration to the Company. Any Member and any Affiliate of any Member shall be entitled to prompt reimbursement for all direct expenses borne, incurred, or advanced on behalf of the Company, including, without limitation, the organization expenses of the Company and any out-of-pocket expenses incurred in authorized management of the Company.

8.13 Conflicts of Interest. A Member shall be entitled to enter into transactions that may be considered to be competitive with, or a business opportunity that may be beneficial to, the Company. Furthermore, Members shall account to the Company and hold as trustee for it any Property, profit, or benefit derived by the Member, without the Majority Approval of the Members, in the conduct and winding up of the Company business or from a use or appropriation by the Member of Company Property including information developed exclusively for the Company and opportunities expressly offered to the Company.

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8.13.1 A Member does not violate a duty or obligation to the Company merely because the Member's conduct furthers the Member's own interest. The rights and obligations of a Member who transacts business with the Company are the same as those of a person who is not a Member, subject to other applicable law. No transaction with the Company shall be voidable solely because a Member has a direct or indirect interest in the transaction if either the transaction is fair to the Company or the disinterested Members in either case knowing the material facts of the transaction and the Member's interest, authorize, approve, or ratify the transaction.

8.14 Loans from Members or Affiliates. In lieu of or in addition to any third party financing, a Member may make a loan to the Company on such terms and conditions as determined by the Majority Approval of the Members (excluding the interested Member) determines to be fair and reasonable. Any Member who makes a loan to the Company shall (except as may be provided otherwise by the terms and conditions of such loan) have the same rights and obligations with respect to such loan as a person who is not a Member or Affiliate of a Member. The amount of any such loan made to the Company, or guaranteed or otherwise arranged, by a Member shall not be considered an increase in such Member's Capital Contribution or otherwise constitute a contribution to the Company nor shall the making of such loan entitle such Member to an increased share of the profits, losses, or Distributions to be made pursuant to the provisions of this Operating Agreement. Except as otherwise provided in this Operating Agreement, loans made to the Company shall be on such terms as the Members may agree.

ARTICLE 9 MEETINGS OF THE MEMBERS

9.1 Meetings. Any Member or Members holding at least twenty-five percent (25%) of the issued and outstanding Units of all Members, or the Majority of the Managers may call a meeting of Members for the purpose of conducting any lawful business.

9.2 Notice of Meetings. Except as provided in Section 9.9, written notice stating the place, day, and hour of the meeting and the purpose or purposes for which the meeting is called shall be delivered not less than three (3) nor more than one hundred twenty (120) days before the date of the meeting, either personally or by mail, by or at the direction of the person calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two calendar days after being deposited in the United States mail, addressed to the Member at its address as it appears on the books of the Company, with postage thereon prepaid.

9.3 Meeting of all Members. If all of the Members shall meet at any time and place, either within or outside of the state of Idaho, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting any lawful action may be taken.

9.4 Telephonic Meetings. Participation in any meeting of the Members may be by means of a conference telephone or similar communications equipment that enables all

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9.4 Telephonic Meetings. Participation in any meeting of the Members may be by means of a conference telephone or similar communications equipment that enables all

persons participating in the meeting to hear each other during the meeting. Participation by such means shall constitute presence in person at such meeting.

9.5 Quorum. A Majority of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members. In the absence of a quorum at any such meeting, the Members holding a majority of the Units so represented may adjourn the meeting from time to time for a period not to exceed sixty (60) days without further notice. However, if the adjournment is for more than sixty (60) days, or after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed.

9.6 Manner of Acting. If a quorum is present, the Majority Approval of the Members shall be the act of the Members, unless the vote of a greater or lesser proportion or number is otherwise required by the Act, by the Articles, or by this Operating Agreement. If the vote of the Members results in a tie, then the matter voted on shall not be passed and there shall be no action taken by the Members or the Company.

9.7 Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution.

9.8 Action by Members Without a Meeting. Any action required or which may be taken at a meeting of Members may be taken without a meeting, without prior notice and without a vote, if one or more written consents, setting forth the action so taken, shall be signed by Members having not less than the minimum Units that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted. Action taken in accordance with this Section 9.8 shall be effective when sufficient written consents have been delivered to the Company, unless the consent specifies a later effective date. Prompt notice of the taking of any action without a meeting by less than unanimous written consent of the Members entitled to vote thereon shall be given by the Company to those Members who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of Members to take the action were delivered to the Company. Failure to give such notice as required shall not be grounds to invalidate and otherwise challenge the action taken by such consent.

9.9 Waiver of Notice. When any notice is required to be given to a Member, a waiver thereof in writing signed by the Member entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice. A Member's attendance at a meeting waives any notice required, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting due to a lack of proper notice.

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9.5 Quorum. A Majority of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members. In the absence of a quorum at any such meeting, the Members holding a majority of the Units so represented may adjourn the meeting from time to time for a period not to exceed sixty (60) days without further notice. However, if the adjournment is for more than sixty (60) days, or after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed.

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9.8 Action by Members Without a Meeting. Any action required or which may be taken at a meeting of Members may be taken without a meeting, without prior notice and without a vote, if one or more written consents, setting forth the action so taken, shall be signed by Members having not less than the minimum Units that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted. Action taken in accordance with this Section 9.8 shall be effective when sufficient written consents have been delivered to the Company, unless the consent specifies a later effective date. Prompt notice of the taking of any action without a meeting by less than unanimous written consent of the Members entitled to vote thereon shall be given by the Company to those Members who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of Members to take the action were delivered to the Company. Failure to give such notice as required shall not be grounds to invalidate and otherwise challenge the action taken by such consent.

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ARTICLE 10
RIGHTS AND DUTIES OF MANAGERS

10.1 Management by Managers.

10.1.1 Board of Managers. The Company shall be managed by its Managers, who, taken together, shall constitute the Board of Managers. The Board of Managers initially shall consist of One (1) Manager. The number of Managers may be changed from time to time by the Board of Managers with the Majority Approval of the Members; provided, however, that the Company shall at all times have at least one Manager. A Manager may, but need not, be a Member. The names and addresses of the initial Managers are as reflected on *Exhibit B* attached hereto and by this reference made a part hereof.

10.1.2 Management Authority. Subject to the restrictions imposed by Article 8, the Board of Managers shall manage the business and affairs of the Company in a manner consistent with the investment goals and policies of the Company. The Board of Managers shall possess all of the rights and powers that may be possessed by a Manager under the Act, the Articles and this Operating Agreement, including, without limitation, the right and power to cause the Company to exercise any or all of its powers under the Act. The Board of Managers may delegate so much of its authority to such officers as the Managers, by Majority Approval of the Managers, deem appropriate.

10.1.3 Term. A Manager shall hold office until such Manager resigns or is removed in accordance with this Section 10.1.

10.1.4 Resignation. A Manager may voluntarily resign as Manager upon thirty (30) days written notice to the Members and such resignation shall not constitute a breach of this Operating Agreement. The resignation of a Manager shall take effect 30 days following receipt by the Members of notice thereof or at such later time as may be specified in the notice of resignation. Unless otherwise specified in any notice of resignation, the acceptance of such resignation shall not be necessary to make it effective.

10.1.5 Removal. The Members, by Majority Approval of the Members, may remove a Manager, with or without cause.

10.1.6 Status as a Member. The resignation or removal of a Manager who is also a Member shall not affect the Manager's rights as a Member nor constitute a withdrawal of the Manager in any capacity as a Member.

10.1.7 Vacancies. Any vacancy occurring for any reason in the position of Manager shall be filled by such Person as is elected by the Majority Approval of the Members.

10.1.8 Executive Committee, Executive Officers and Other Agents. The Board of Managers, by Majority Approval of the Managers, may appoint an Executive Committee, executive officers and other agents of the Company and delegate to any such Executive Committee member, officer or agent so much of its authority to manage the

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Company as the Board of Managers determine is appropriate. Any Executive Committee member, executive officer or other agent appointed by the Board of Managers may be removed by the Board of Managers, by Majority Approval of the Managers, at any time with or without cause. The Company may pay its agents reasonable compensation for their services as fixed from time to time by the Board of Managers, by Majority Approval of the Managers.

10.2 Financial Reports and Information. In addition to any other obligations of the Managers provided in the Act, the Articles, or this Operating Agreement, the Board of Managers shall provide the Members with the financial reports described in Section 4.2.

10.3 Right to Rely on the Board of Managers. Unless specifically authorized to do so by the Board of Managers, no Manager acting as such shall have any power or authority to bind or obligate the Company in any way, to pledge its credit or to render it liable for any purpose. Subject to obtaining any approval of the Members as required by law, the Articles or this Operating Agreement, the Board of Managers may authorize a Manager, officer or agent to sign on behalf of the Company to acquire and convey title to any Company property or to execute any promissory notes, security agreements, trust deeds, mortgages or other instruments of hypothecation or any other agreements or documents necessary to effectuate any provision of this Operating Agreement or carry out the purposes of the Company, and a copy of this Operating Agreement may be shown to the appropriate parties in order to confirm the same. Any Person dealing with the Company may rely (without duty of further inquiry) upon a certificate authorized by the Board of Managers and signed by a Manager as to:

10.3.1 The identity of any Member, Manager or agent of the Company;

10.3.2 The existence or nonexistence of any fact or facts that constitute a condition precedent to acts by any Manager or any agent of the Company or any Member or that are in any other manner germane to the business or affairs of the Company;

10.3.3 The Persons that are authorized to execute and deliver any instrument or document of the Company; and

10.3.4 Any act or failure to act by the Company or any other matter whatsoever involving the Company or any agent of the Company or any Manager or Member that involves the apparent carrying on in the usual way the business or affairs of the Company.

10.4 Actions by the Board of Managers Generally.

10.4.1 Majority Approval of the Managers at a Meeting. Except as otherwise provided in this Section 10.4, any action taken by the Board of Managers must be taken by the Majority Approval of the Managers at a meeting of the Board of Managers. In the event that there is a deadlock between the Managers on any action requiring the approval of the Managers, that action shall be submitted to the Members for their approval in accordance with Section 8.2.10.

Company as the Board of Managers determine is appropriate. Any Executive Committee member, executive officer or other agent appointed by the Board of Managers may be removed by the Board of Managers, by Majority Approval of the Managers, at any time with or without cause. The Company may pay its agents reasonable compensation for their services as fixed from time to time by the Board of Managers, by Majority Approval of the Managers.

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10.4.1 Majority Approval of the Managers at a Meeting. Except as otherwise provided in this Section 10.4, any action taken by the Board of Managers must be taken by the Majority Approval of the Managers at a meeting of the Board of Managers. In the event that there is a deadlock between the Managers on any action requiring the approval of the Managers, that action shall be submitted to the Members for their approval in accordance with Section 8.2.10.

10.4.2 Two-Thirds Approval of the Managers at a Meeting.

Except as otherwise provided in this Section 10.4, the vote, approval or consent of two-thirds of the Managers at a meeting of the Board of Managers shall be necessary to take any of the following actions:

10.4.2.1 Make a major capital expenditure or enter into any contract or agreement to make a major capital expenditure; or

10.4.2.2 [Reserved]

10.4.3 Action by Board of Managers Without a Meeting. Any action required or which may be taken at a meeting of the Board of Managers may be taken without a meeting, without prior notice and without a vote, if one or more written consents, setting forth the action so taken, shall be signed by all of the Managers. Action taken in accordance with this Section 10.4.3 shall be effective when such written consents have been delivered to the Company, unless the consent specifies a later effective date.

ARTICLE 11 MEETINGS OF THE BOARD OF MANAGERS

11.1 Meetings of the Board of Managers. Subject to this Section 11.1, meetings of the Board of Managers may be held at any place and at any time and may be called by any Manager.

11.2 Notice of Meetings of the Board of Managers; Waiver of Notice. Any meeting of the Board of Managers must be preceded by at least 48 hours notice of the date, time, and place of the meeting, but not of its purpose, unless this Operating Agreement requires otherwise. Notice may be given personally, by facsimile, by mail, or in any other manner allowed by law. Oral notice shall be sufficient if a written record of such notice is included in the Company's minute book. Notice shall be deemed effective at the earliest of: (a) receipt; (b) delivery to the proper address or telephone number of the Manager as shown in the Company's records; or (c) five days after its deposit in the United States mail, as evidenced by the postmark, if correctly addressed and mailed with first-class postage prepaid. Notice of any meeting of the Managers may be waived by any Manager at any time, by a signed writing, delivered to the Company for inclusion in the minutes, either before or after the meeting. Attendance or participation by a Manager at a meeting shall constitute a waiver of any required notice of the meeting, unless the Manager promptly objects to holding the meeting or to the transaction of any business on the grounds that the meeting was not lawfully convened and the Manager does not thereafter vote for or assent to any action taken at the meeting.

11.3 Voting at Board of Managers Meetings. At any meeting of the Board of Managers, the affirmative vote of a Majority of the Managers shall be sufficient to constitute approval of the Board of Managers. A Manager who is present at a meeting when action is taken is deemed to have assented to the action taken unless: (a) the Manager objects at the beginning of the meeting, or promptly upon his or her arrival, to holding it or to transacting business at the meeting; (b) the Manager's dissent or abstention from the action taken is entered in the minutes of the meeting; or (c) the Manager delivers written notice of his or her dissent or abstention to

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10.4.2.1 Make a major capital expenditure or enter into any contract or agreement to make a major capital expenditure; or

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10.4.3 Action by Board of Managers Without a Meeting. Any action required or which may be taken at a meeting of the Board of Managers may be taken without a meeting, without prior notice and without a vote, if one or more written consents, setting forth the action so taken, shall be signed by all of the Managers. Action taken in accordance with this Section 10.4.3 shall be effective when such written consents have been delivered to the Company, unless the consent specifies a later effective date.

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the presiding officer of the meeting before its adjournment. The right of dissent or abstention is not available to a Manager who votes in favor of the action taken.

11.4 Telephone Participation in Board of Managers Meetings. Any Manager may participate in a meeting of the Board of Managers by means of a conference telephone or similar communications equipment that enables all Persons participating in the meeting to hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting of the Board of Managers.

11.5 Discharge of Management Duties. The Board of Managers shall discharge their duties as Managers in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner they reasonably believe to be in the best interests of the Company. Each Manager shall cause the Company to conduct its business, operations and affairs separately from those of each Manager and Member and any Affiliate of a Manager or Member.

11.6 Compensation and Reimbursement. The Managers shall receive such compensation as may be determined by the Majority Approval of the Members. In addition, each Manager shall be reimbursed for (a) all out-of-pocket expenses he or she incurs on behalf of the Company, including expenses relative to the formation of the Company and amounts paid to any Person to perform services on behalf of the Company, and (b) other expenses paid by the Manager that are necessary and appropriate to the conduct of the Company's business.

11.7 Employees. To the extent determined necessary or desirable by the Board of Managers, the Company shall hire employees and independent contractors to perform services related to the Company.

11.8 Limitation on Liability. No Manager, officer, or Member of the Company shall be personally liable to the Company or its Members for monetary damages for his or her conduct as a Manager, an officer, or a Member, provided that such act or omission did not involve intentional misconduct, a knowing violation of law, or a transaction from which such Manager, officer, or Member personally received a benefit in money, property, or services to which such Manager, officer, or Member is not legally entitled. Any amendment to or repeal of this Section 11.8 shall not adversely affect any right or protection of a Manager, officer, or Member of the Company for or with respect to any conduct, acts or omissions of such Manager, officer, or Member occurring prior to such amendment or repeal.

11.9 Indemnifications.

11.9.1 The Company shall indemnify and hold harmless, and may advance expenses to, the Members and Managers and their agents for all costs, losses, liabilities and damages paid or accrued by such Member or Managers or agent in connection with the authorized business of the Company, to the fullest extent provided or allowed by the laws of the state of Idaho, except that the Company shall not be obligated to indemnify any Member or Manager or agent for acts which were taken in bad faith, with a harmful or wrongful intent or which result from gross negligence.

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11.9.2 Each Member shall indemnify the other Members for all losses or damages arising out of any breach of this Operating Agreement by the indemnifying Member.

ARTICLE 12 TAXES

12.1 Elections. The tax matters member shall make any tax elections for the Company allowed under the Code or the tax laws of any state, local, or foreign government that collects tax, interest, or penalties on any Member's share of the Profits or on the Company.

12.2 Tax Matters Member. Scott H. Hartvigson is hereby appointed the initial "Tax Matters Member," as that term is defined under Section 6231(a)(7) of the Code. Any other Member may be designated by the Company to act as the Tax Matters Member of the Company. Any Member designated as Tax Matters Member shall take such action as may be necessary to cause each other Member to become a notice member within the meaning of Section 6223 of the Code. Any Member who is designated Tax Matters Member may not take any action contemplated by Section 6222 through Section 6232 of the Code without the consent of the Company.

12.3 Method of Accounting. The records of the Company shall be maintained on a method of accounting to be determined by the Company.

ARTICLE 13 TRANSFER OF LIMITED LIABILITY COMPANY INTERESTS

13.1 Restrictions on Transfers. Except as otherwise permitted in accordance with the terms of this Article 13, no Member or Assignee may Transfer all or any portion of his Membership Interest or Economic Right.

13.2 Transfer of a Membership Interest. After complying with the right of first refusal detailed in Section 13.9, a Member may Transfer his Membership Interest, or a portion thereof:

13.2.1 To another Member;

13.2.2 With Unanimous Approval of the Members, to any Person.

13.3 Transfer of an Economic Right. Any Transfer of all or a portion of an Economic Right to a Person can only be made:

13.3.1 If the Assignor is an individual, then to his spouse, children or grandchildren, or to any trust exclusively for the benefit of any such individual or individuals;

13.3.2 If the Assignor is a corporation, partnership, limited liability company, trust, or other legal entity, then respectively to its shareholders, partners, members, beneficiaries or legal owners, as a distribution; provided, however, that such transfer must receive the prior approval of the Company's securities counsel;

11.9.2 Each Member shall indemnify the other Members for all losses or damages arising out of any breach of this Operating Agreement by the indemnifying Member.

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13.2.2 With Unanimous Approval of the Members, to any Person.

13.3 Transfer of an Economic Right. Any Transfer of all or a portion of an Economic Right to a Person can only be made:

13.3.1 If the Assignor is an individual, then to his spouse, children or grandchildren, or to any trust exclusively for the benefit of any such individual or individuals;

13.3.2 If the Assignor is a corporation, partnership, limited liability company, trust, or other legal entity, then respectively to its shareholders, partners, members, beneficiaries or legal owners, as a distribution; provided, however, that such transfer must receive the prior approval of the Company's securities counsel;

13.3.3 If the Assignor is dead or adjudicated incompetent or in any other involuntary Transfer by operation of law, then to the Assignor's executor, conservator, administrator, trustee or personal representative upon death; or

13.3.4 After complying with the right of first refusal detailed in Section 13.9, to any Person.

13.4 Mandatory Conditions to Transfers. The following conditions, as applicable, must be satisfied before any transfer under this Article 13 shall be permitted:

13.4.1 Conveyance Documentation and Bound by Agreement. The Assignor, Assignee and/or Member, as the case may be, have executed and delivered to the Company such documents and instruments of conveyance as may be necessary or appropriate in the opinion of the Company to effect such Transfer and to confirm the agreement of the Assignee to be bound by the provisions of this Operating Agreement.

13.4.2 Costs Paid. The Assignor, Assignee and/or Member, as the case may be, have reimbursed the Company for all costs and expenses that the Company reasonably incurs in connection with the Transfer.

13.4.3 Information from Parties. The Assignor, Assignee and/or Member, as the case may be, have provided to the Company his taxpayer identification number, sufficient information to determine the initial tax basis in the Economic Right or Membership Interest Transferred, as the case may be, and any other information reasonably necessary to permit the Company to file all required federal and state tax returns and other legally required information statements or returns. Without limiting the generality of the foregoing, the Company shall not be required to make any Distribution otherwise provided for in this Operating Agreement with respect to any Membership Interests Transferred until it has received such information.

13.4.4 No Taxable Termination or Securities Violations. The Company has received an opinion of counsel, or an opinion in a form acceptable to the Members of other counsel acceptable to it, that such assignment or transfer (i) would not affect the classification of the Company as a partnership for federal and state income tax purposes, (ii) could lawfully be made without registration under the Securities Act of 1933, as amended, any state securities law, or the Investment Company Act of 1940, as amended; (iii) would not affect the qualification of the Company as a limited liability company under the Act; and (iv) would not violate any applicable laws or regulations.

13.5 Assignee's Status. An Assignee not admitted as a Substituted Member pursuant to Section 13.6 shall be entitled only to the Economic Right Transferred and shall have no Voting Rights or any other rights in the Company. The Assignee shall have no liability as a Member solely as a result of the Transfer.

13.6 Admission of Substituted Member. In addition to the conditions of Section 13.4, a Person may be admitted to the Company as a Substituted Member, upon Unanimous Approval of the Members to such admission.

13.3.3 If the Assignor is dead or adjudicated incompetent or in any other involuntary Transfer by operation of law, then to the Assignor's executor, conservator, administrator, trustee or personal representative upon death; or

13.3.4 After complying with the right of first refusal detailed in Section 13.9, to any Person.

13.4 Mandatory Conditions to Transfers. The following conditions, as applicable, must be satisfied before any transfer under this Article 13 shall be permitted:

13.4.1 Conveyance Documentation and Bound by Agreement. The Assignor, Assignee and/or Member, as the case may be, have executed and delivered to the Company such documents and instruments of conveyance as may be necessary or appropriate in the opinion of the Company to effect such Transfer and to confirm the agreement of the Assignee to be bound by the provisions of this Operating Agreement.

13.4.2 Costs Paid. The Assignor, Assignee and/or Member, as the case may be, have reimbursed the Company for all costs and expenses that the Company reasonably incurs in connection with the Transfer.

13.4.3 Information from Parties. The Assignor, Assignee and/or Member, as the case may be, have provided to the Company his taxpayer identification number, sufficient information to determine the initial tax basis in the Economic Right or Membership Interest Transferred, as the case may be, and any other information reasonably necessary to permit the Company to file all required federal and state tax returns and other legally required information statements or returns. Without limiting the generality of the foregoing, the Company shall not be required to make any Distribution otherwise provided for in this Operating Agreement with respect to any Membership Interests Transferred until it has received such information.

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13.6 Admission of Substituted Member. In addition to the conditions of Section 13.4, a Person may be admitted to the Company as a Substituted Member, upon Unanimous Approval of the Members to such admission.

13.7 Effect of Admission as a Substituted Member. A Substituted Member shall have, to the extent of the Membership Interest Transferred, the rights and powers, and be subject to the restrictions and liabilities, of a Member and shall be liable for any obligations of the Assignor to make Capital Contributions, but shall not be obligated for liabilities reasonably unknown to the Substituted Member at the time of becoming a Member. Upon the admission of an Assignee as a Substituted Member, the Member who assigned or transferred all of his Membership Interest shall cease to be a Member of the Company and shall have no further rights as a Member in, or with respect to, the Company; provided, however, such Member shall continue (i) to fulfill his contractual obligations to the Company or to others incurred or accepted prior to the Member's assignment of his Membership Interest; and (ii) to comply with his obligations under this Article 13.

13.8 Distributions With Respect to Transferred Membership Interests. Upon any Transfer made in compliance with the provisions of this Article 13, all Distributions on or before the date of such Transfer shall be made to the Assignor and all Distributions thereafter shall be made to the Assignee.

13.9 Right of First Refusal. No Assignor may sell all or any portion of his Membership Interest or Economic Right pursuant to Section 13.2 or Section 13.3 unless and until such Assignor extends to the Members the right to purchase such Membership Interest or Economic Right in conformity with the following procedure:

13.9.1 Any Assignor desiring to sell his Membership Interest or Economic Right shall give written notice (the "Notice") to the Members indicating his desire to sell his Membership Interest or Economic Right or portion thereof, the price and terms at which he is willing to make such sale, the identity of the proposed purchaser or purchasers, and offering to sell the Membership Interest or Economic Right or portion thereof to the Members on such terms (the "Offer").

13.9.2 At any time within thirty (30) days after the delivery of the Notice by the Assignor to the Members, the Members shall have the right to accept the Offer (in whole or in part) to purchase such Membership Interest or Economic Right at the price and upon the terms set forth in the Notice by delivering a written notice to that effect to the applicable Assignor prior to the expiration of the aforementioned thirty (30) day period. If more than one other Member elects to purchase such Membership Interest or Economic Right, each such electing Member may purchase his pro rata share of the Membership Interest or Economic Right. The acquisition of the Membership Interest or Economic Right by the transferee Members shall close in accordance with the terms set forth in the Notice.

13.9.3 If the Members do not agree to purchase the offered Membership Interest or Economic Right referred to in the Notice within the period prescribed herein, such Assignor may sell his Membership Interest or Economic Right to one or more purchasers identified in the Notice (a "Third Party Purchaser") on the terms set forth in the Notice. Any proposed sale (i) to a purchaser other than the Third Party Purchaser, (ii) on terms that differ from those in the Notice, or (iii) on a date that is more than one hundred twenty (120) days after the date of the Notice cannot be consummated without again complying with this Section 13.9.

13.7 Effect of Admission as a Substituted Member. A Substituted Member shall have, to the extent of the Membership Interest Transferred, the rights and powers, and be subject to the restrictions and liabilities, of a Member and shall be liable for any obligations of the Assignor to make Capital Contributions, but shall not be obligated for liabilities reasonably unknown to the Substituted Member at the time of becoming a Member. Upon the admission of an Assignee as a Substituted Member, the Member who assigned or transferred all of his Membership Interest shall cease to be a Member of the Company and shall have no further rights as a Member in, or with respect to, the Company; provided, however, such Member shall continue (i) to fulfill his contractual obligations to the Company or to others incurred or accepted prior to the Member's assignment of his Membership Interest; and (ii) to comply with his obligations under this Article 13.

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ARTICLE 14

DISSOLUTION AND WINDING UP

14.1 Dissolution. The Company shall be dissolved and its affairs wound up, upon the first to occur of the following events:

14.1.1 Majority Approval of the Members to dissolve;

14.1.2 Withdrawal of the last Member;

14.1.3 Judicial determination that an event has occurred that makes it unlawful, impossible or impractical to carry on the business of the Company; or

14.1.4 Sale of all or substantially all of the assets of the Company, unless the existence of the Company is continued by the Majority Approval of the Members.

14.2 Allocation of Profits and Losses in Liquidation. The allocation of Profits, Losses and other items of the Company following dissolution, including but not limited to gain or loss upon the sale of the Company's assets, shall be determined in accordance with the provisions of Article 7 and shall be credited or charged to the Capital Accounts of the Members and Assignees in the same manner as Profits, Losses, and other items of the Company would have been credited or charged if there were no dissolution and liquidation.

14.3 Winding Up, Liquidation and Distribution of Assets. Upon dissolution, the Members shall immediately proceed to wind up the affairs of the Company. The Members shall sell or otherwise liquidate all of the Property of the Company as promptly as practicable (except to the extent the Members may determine to distribute any assets to the Members and Assignees in kind) and shall apply the proceeds of such sale and the remaining Company assets in the following order of priority:

14.3.1 First, to the payment of creditors, including Members who are creditors to the extent otherwise permitted by law, in satisfaction of liabilities of the Company, other than liabilities for Distributions to Members;

14.3.2 Second, to establish any reserves that the Members deem reasonably necessary for contingent or unforeseen obligations of the Company; and

14.3.3 Third, the balance, if any, to the Members in accordance with Section 7.2.2.

14.4 Distributions in Kind. Subject to Section 7.2.3, the Members may elect to distribute to the Members assets in kind.

14.5 No Obligation to Restore Negative Capital Account on Liquidation. Notwithstanding anything to the contrary in this Operating Agreement, upon a liquidation within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g), if any Member or Assignee has a negative Capital Account balance (after giving effect to all Capital Contributions, Distributions, allocations and other Capital Account adjustments for all taxable years, including

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the year during which such liquidation occurs), such Member or Assignee shall have no obligation to make any Capital Contribution to the Company, and the negative balance of such Member's or Assignee's Capital Account shall not be considered a debt owed by such Member or Assignee to the Company or to any other Person for any purpose whatsoever.

14.6 Termination. The Members shall comply with any applicable requirements of law pertaining to the winding up of the affairs of the Company and the final Distribution of its assets. Upon completion of the winding up, liquidation and Distribution of the assets, the Company shall be deemed terminated.

14.7 Articles of Dissolution. When all debts, liabilities and obligations have been paid and discharged or adequate provision has been made therefor and all of the remaining Property and assets have been distributed to the Members and Assignees, the Company shall file Articles of Dissolution as required by Section 53-647 of the Act. Upon filing the Articles of Dissolution, the existence of the Company shall cease, except as otherwise provided in the Act.

14.8 Return of Contribution Nonrecourse to Other Members. Except as provided by law or as expressly provided in this Operating Agreement, upon dissolution, each Member and Assignee shall look solely to the assets of the Company for the return of his Capital Contribution. If the property remaining after the payment or discharge of liabilities of the Company is insufficient to return the Capital Contributions of the Members and Assignees, no Member or Assignee shall have recourse against any other Member or Assignee.

ARTICLE 15 AMENDMENT

15.1 Automatic Amendment. This Operating Agreement shall be considered automatically amended to the extent necessary to accommodate any permitted transfer pursuant to Sections 13.2 and 13.3.

15.2 Amendment by Majority Approval of the Members. Except as provided in Section 15.1, this Operating Agreement may be amended or modified from time to time only by a written instrument adopted by the Majority Approval of the Members. Provided, however, that without the written consent of each Member adversely affected thereby (the Affected Member), no amendment or modification of this Operating Agreement shall be made that (i) increases the obligations of the Affected Member to make contributions, (ii) alters the manner of allocation to the Affected Member for tax purposes of any items of income, gain, loss, deduction, or credit, or (iii) alters the manner of computing the distributions of the Affected Member, unless this Operating Agreement has already provided for such amendment or modification or granted authority to the Members or others to make such amendment or modification.

ARTICLE 16 MISCELLANEOUS PROVISIONS

16.1 Notice. Notice to the Company shall be considered given when made in writing and mailed by first class mail postage prepaid addressed to the Company at the address

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of the Company's principal office. Notice to a Member shall be considered given when mailed by first class mail postage prepaid addressed to the Member at the address reflected in this Operating Agreement unless the Member has given the Company a Notice of a different address.

16.2 Entire Agreement. This Operating Agreement represents the entire agreement among all the Members and between the Members and the Company.

16.3 No Partnership Intended for Nontax Purposes. The Members have formed the Company under the Act, and expressly do not intend hereby to form a partnership under either the Idaho Uniform Partnership Act or the Idaho Uniform Limited Partnership Act.

The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

16.4 Rights of Creditors and Third Parties Under This Operating Agreement. This Operating Agreement is entered into among the Company and the Members for the exclusive benefit of the Company, its Members, and their successors and assignees. This Operating Agreement is expressly not intended for the benefit of any creditor of the Company or any other Person. Except and only to the extent provided by applicable statute, no such creditor or third party shall have any rights under this Operating Agreement or any agreement between the Company and any Member with respect to any Capital Contribution or otherwise.

16.5 Application of Idaho Law. This Operating Agreement, and the application of interpretation hereof, shall be governed exclusively by its terms and by the laws of the state of Idaho, and specifically the Act.

16.6 Waiver of Action for Partition. Each Member irrevocably waives during the term of the Company any right that it may have to maintain any action for partition with respect to the Company Property.

16.7 Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney and other instruments necessary to comply with any laws, rules or regulations.

16.8 Construction. Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

16.9 Headings and Pronouns. The headings in this Operating Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Operating Agreement or any provision hereof. All pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural as the identity of the Person or Persons may require.

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16.10 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

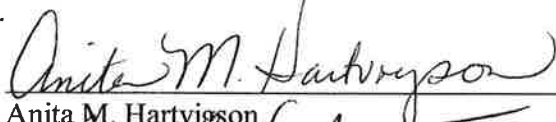
16.11 Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative, and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

16.12 Severability. If any provision of this Operating Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

16.13 Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Operating Agreement, their respective heirs, legal representatives, successors and assigns.

16.14 Representations and Warranties. Each Member, and in the case of an organization, the Person(s) executing this Operating Agreement on behalf of the organization, hereby represents and warrants to the Company and to each other that: (i) such Member is an organization, that it is duly organized, validly existing, and in good standing under the laws of its state of organization and that it has full organizational power to execute and enter into this Operating Agreement and to perform its obligations hereunder; (ii) such Member is acquiring its Membership Interests in the Company for such Member's own account as an investment without an intent to distribute the Membership Interest; (iii) such Member acknowledges that the Membership Interests have not been registered under the Securities Act of 1933 or any state securities laws, and may not be resold or transferred by such Member without appropriate registration or the availability of exemptions from such requirements; and (iv) the execution and delivery of this Operating Agreement and consummation of the transactions contemplated hereby do not breach or result in a default under any contract or agreement by which such Member is bound or under the certificate of incorporation, bylaws or equivalent organizational documents of such Member.

IN WITNESS WHEREOF, the undersigned have executed this Operating Agreement effective the date set forth above.


Anita M. Hartvigson

Scott H. Hartvigson

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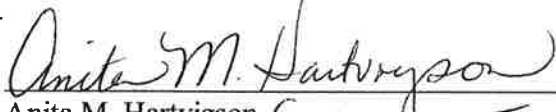
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Anita M. Hartvigson

Scott H. Hartvigson

EXHIBIT A

INITIAL MEMBERS

Member	Value of Initial Capital Contribution	Description of Initial Capital Contribution	Amount of Initial Capital Account Pursuant to Section 6.4	Number of Units
Anita M. Hartvigson		25% interest in property		1,000
Scott H. Hartvigson		75% interest in property		3,000

EXHIBIT A

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Anita M. Hartvigson		25% interest in property		1,000
Scott H. Hartvigson		75% interest in property		3,000

EXHIBIT B

BOARD OF MANAGERS

Name	Address
Scott H. Hartvigson	2795 S.E. Grapevine Road Idledale, CO 80453

EXHIBIT B

BOARD OF MANAGERS

Name	Address
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EXHIBIT C

TAX ALLOCATIONS

1. **Defined Terms.** All references to Article or Section in this Exhibit shall refer to the Articles and Sections of the Operating Agreement to which this Exhibit is attached.
2. **Tax Allocations.** For purposes of determining the Profits, Losses or any other items allocable to any period, Profits, Losses and any such other items shall be determined on a daily, monthly or other basis, as determined by the Members using any method that is permissible under Section 706 of the Code and the Treasury Regulations under that section. Except as otherwise provided in the Operating Agreement, all items of Company income, gain, loss, deduction and any other allocations not otherwise provided for shall be divided among the Members and Assignees in the same proportions as they share Profits and Losses for the fiscal year in question.
3. **Section 704(b).** The provisions of Article 6 as they relate to the maintenance of Capital Accounts are intended, and shall be construed, and, if necessary, modified, and the Company's accountant is hereby authorized to make any such modifications, to cause the allocations of profits, losses, income, gain, and credit pursuant to Article 7 to have substantial economic effect under the Regulations promulgated under Section 704(b) of the Code, in light of the Distributions made pursuant to Article 7 and Article 14 and the Contributions made pursuant to Article 6. Provided, however, that no Losses or deductions or items thereof shall be allocated to any Member if such allocation would create or increase a deficit in the Member's Capital Account as of the end of the taxable year to which the allocation relates. Notwithstanding anything herein to the contrary, the Operating Agreement shall not be construed as creating a deficit restoration obligation or otherwise personally obligate any Member or Assignee to make a Contribution in excess of the Capital Contributions required pursuant to Sections 6.1 and 6.2.
4. **Section 704(c) Allocation.** In accordance with Section 704(c) of the Code and the Treasury Regulations under that section, income, gain, loss and deduction with respect to any Property contributed to the capital of the Company shall, solely for income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such Property to the Company for federal income tax purposes and its initial fair market value.
5. **Qualified Income Offset.** Notwithstanding anything to the contrary contained in this Exhibit or in the Operating Agreement, if a Member unexpectedly receives any adjustments, allocations, or distributions described in Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6) of the Regulations or any amendment thereto, or receives an allocation of loss which produces a negative Capital Account for any Member while any other Member has a positive Capital Account, then items of Company income, including gross income, shall be specially allocated to such Member to the extent necessary to eliminate any Capital Account deficit. This section is intended to constitute a "qualified income offset" within the meaning of Section 1.704-1(b)(2)(ii)(d) of the Regulations.

EXHIBIT C

TAX ALLOCATIONS

1. **Defined Terms.** All references to Article or Section in this Exhibit shall refer to the Articles and Sections of the Operating Agreement to which this Exhibit is attached.
2. **Tax Allocations.** For purposes of determining the Profits, Losses or any other items allocable to any period, Profits, Losses and any such other items shall be determined on a daily, monthly or other basis, as determined by the Members using any method that is permissible under Section 706 of the Code and the Treasury Regulations under that section. Except as otherwise provided in the Operating Agreement, all items of Company income, gain, loss, deduction and any other allocations not otherwise provided for shall be divided among the Members and Assignees in the same proportions as they share Profits and Losses for the fiscal year in question.
3. **Section 704(b).** The provisions of Article 6 as they relate to the maintenance of Capital Accounts are intended, and shall be construed, and, if necessary, modified, and the Company's accountant is hereby authorized to make any such modifications, to cause the allocations of profits, losses, income, gain, and credit pursuant to Article 7 to have substantial economic effect under the Regulations promulgated under Section 704(b) of the Code, in light of the Distributions made pursuant to Article 7 and Article 14 and the Contributions made pursuant to Article 6. Provided, however, that no Losses or deductions or items thereof shall be allocated to any Member if such allocation would create or increase a deficit in the Member's Capital Account as of the end of the taxable year to which the allocation relates. Notwithstanding anything herein to the contrary, the Operating Agreement shall not be construed as creating a deficit restoration obligation or otherwise personally obligate any Member or Assignee to make a Contribution in excess of the Capital Contributions required pursuant to Sections 6.1 and 6.2.
4. **Section 704(c) Allocation.** In accordance with Section 704(c) of the Code and the Treasury Regulations under that section, income, gain, loss and deduction with respect to any Property contributed to the capital of the Company shall, solely for income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such Property to the Company for federal income tax purposes and its initial fair market value.
5. **Qualified Income Offset.** Notwithstanding anything to the contrary contained in this Exhibit or in the Operating Agreement, if a Member unexpectedly receives any adjustments, allocations, or distributions described in Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6) of the Regulations or any amendment thereto, or receives an allocation of loss which produces a negative Capital Account for any Member while any other Member has a positive Capital Account, then items of Company income, including gross income, shall be specially allocated to such Member to the extent necessary to eliminate any Capital Account deficit. This section is intended to constitute a "qualified income offset" within the meaning of Section 1.704-1(b)(2)(ii)(d) of the Regulations.

6. **Minimum Gain Chargeback.** Notwithstanding anything to the contrary contained herein, if there is a net decrease in Company "minimum gain," as defined in Sections 1.704-2(b)(2) and 1.704-2(d) of the Regulations, during a taxable year, each Member shall be specially allocated, before any other allocation, items of income and gain for such taxable year (and, if necessary, subsequent years) in proportion to each Member's share of the net decrease in Company "minimum gain." This section is intended to comply with the "minimum gain chargeback" provisions of Section 1.704-2(f) of the Regulations.
7. **Member Nonrecourse Deductions.** Items of the Company's loss, deductions, and expenditures described in Section 705(a)(2)(B) of the Code that are attributable to the Company's nonrecourse debt and are characterized as Member nonrecourse deductions under Section 1.704-2(i) of the Regulations will be allocated to the Members' Capital Accounts in accordance with Section 1.704-2(i) of the Regulations.
8. **Adjustment for Special Allocations.** If the special allocations result in Capital Account balances that are different from the Capital Account balances the Members would have had if the special allocations were not required, the Company will allocate other items of income, gain, loss, and deduction in any manner it considers appropriate to offset the effects of the special allocations on the Members' Capital Account balances. Any offsetting allocation required by the Operating Agreement or this Exhibit is subject to and must be consistent with the special allocations.

6. **Minimum Gain Chargeback.** Notwithstanding anything to the contrary contained herein, if there is a net decrease in Company "minimum gain," as defined in Sections 1.704-2(b)(2) and 1.704-2(d) of the Regulations, during a taxable year, each Member shall be specially allocated, before any other allocation, items of income and gain for such taxable year (and, if necessary, subsequent years) in proportion to each Member's share of the net decrease in Company "minimum gain." This section is intended to comply with the "minimum gain chargeback" provisions of Section 1.704-(2)(f) of the Regulations.
7. **Member Nonrecourse Deductions.** Items of the Company's loss, deductions, and expenditures described in Section 705(a)(2)(B) of the Code that are attributable to the Company's nonrecourse debt and are characterized as Member nonrecourse deductions under Section 1.704-2(i) of the Regulations will be allocated to the Members' Capital Accounts in accordance with Section 1.704-2(i) of the Regulations.
8. **Adjustment for Special Allocations.** If the special allocations result in Capital Account balances that are different from the Capital Account balances the Members would have had if the special allocations were not required, the Company will allocate other items of income, gain, loss, and deduction in any manner it considers appropriate to offset the effects of the special allocations on the Members' Capital Account balances. Any offsetting allocation required by the Operating Agreement or this Exhibit is subject to and must be consistent with the special allocations.



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 E FRONT ST STE 648 PO BOX 83720 • BOISE, ID 83720-0098

Phone: (208)287-4800 • Fax: (208)287-6700 • Website: www.idwr.idaho.gov

Brad Little
Governor

November 1, 2019

Gary Spackman
Director

BRIAR ROSE RANCH LLC
2795 SE GRAPEVINE RD
IDLEDALE CO 80453

Re: Change in Ownership for Water Right Nos: 74-716, 74-717, 74-1860, and 74-1861

Dear Water Right Holder:

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water rights to you. The Department has modified its records and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 287-4920.

Sincerely,

Debbi Judd
Technical Records Specialist

Enclosures

c. Water District 74
Water District 74G