

DE

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Change in Water Right Ownership

RECEIVED

OCT 14 2010

DEPT. OF WATER RESOURCES
SOUTHERN REGION

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.

Water Right/Claim No.	Split?	Water Right/Claim No.	Split?	Water Right/Claim No.	Split?
77 A 37-00601	Yes ☐		Yes ☐		Yes ☐
A 37-00420	Yes ☐		Yes ☐		Yes ☐
	Yes ☐		Yes ☐		Yes ☐
	Yes ☐		Yes ☐		Yes ☐
	Yes ☐		Yes ☐		Yes ☐

2. Previous Owner's Name:

Craig V. Rember and Elizabeth L. Rember

Name of current water right holder/claimant

3. New Owner(s)/Claimant(s):

Rember Properties LLC

Name of each new owner as listed on the conveyance document

New owner continued

Name connector ☐ and ☐ or ☐ and/or

P.O. Box 195

Mailing address

Stanley ID 83

City

State

ZIP

208-774-3430

Telephone

jremember@ruralnetwork.net

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: 4/26/1999

6. 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.

7. Signature:

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

Date

10/15/10

Receipt No.

5031654

Receipt Amt.

125.00
50.00

Approved by

Processed by

Date

SUPPORT DATA

Operating Agreement
of
Rember Properties L.L.C.
(the "Company")
for Management by a Manager

Effective as of
April __, 1999

ARTICLE I.
FORMATION OF COMPANY

1.1 Name.

The name of the Company is Rember Properties L.L.C.

1.2 Principal Office.

The principal office of the Company in the state of Idaho shall be located at H.C. 64, Box 9928, Stanley, Idaho, Custer County, Idaho. The Company may have such other offices, either within or without the State of Idaho, as the Members may designate or as the business of the Company may from time to time require.

1.3 Registered Office.

The registered office of the Company required by the Idaho Limited Liability Company Act to be maintained in the state of Idaho may, but need not, be identical with the Principal Office in the state of Idaho. The address of the initial registered office of the Company is H.C. 64, Box 9928, Stanley, Idaho 83278, and the initial registered agent at such address is Craig V. Rember. The registered office and the registered agent may be changed from time to time by action of the Members holding a majority of the voting power and by filing the prescribed form with the Idaho Secretary of State.

1.4 Term.

The term of the Company shall be perpetual.

1.5 Permitted Businesses.

The business of the Company shall be:

- (a) To accomplish any lawful business whatsoever, or which shall at any time appear conducive to or expedient for the protection or benefit of the Company and its assets.
- (b) To exercise all other powers necessary to or reasonably connected with the Company's business which may be legally exercised by limited liability companies under Idaho Code Title 53, Chapter 6, and any other applicable law.
- (c) To engage in all activities necessary, customary, convenient, or incident to any of the foregoing.

ARTICLE II. MEMBERSHIP INTERESTS

2.1 Voting Members.

There shall be one class of Members holding the right to vote (the "Voting Members"). The equity interest of the class of Voting Members shall be one percent (1%). The Voting Members and the ratio of their interests shall be as set forth on Exhibit A.

2.2 Non-Voting Members.

There shall be one class of Members without the right to vote (the "Non-Voting Members"). The equity interest of the class of Non-Voting Members shall be ninety-nine percent (99%). The Non-Voting Members and the ratio of their interests shall be as set forth on Exhibit B.

2.3 Rights and Obligations of Members.

In all respects except voting authority, Members shall be equal.

ARTICLE III. MEETINGS

3.1 Regular Meetings.

The Voting Members may, by resolution, prescribe the time and place for the holding of regular meetings and may provide that the adoption of such resolution shall

constitute notice of such regular meetings. If the Voting Members do not prescribe the time and place for the holding of regular meetings, such regular meetings shall be held at the time and place specified by the Presiding Member in the notice of each such regular meeting.

3.2 Special Meetings.

Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Presiding Member or by any two (2) Members.

3.3 Notice of Meeting.

Written or telephone notice stating the place, day and hour of the meeting and, in case of a special meeting, the purposes for which the meeting is called shall be delivered not less than forty-eight (48) hours before the date of the meeting, either personally or by mail, by or at the direction of the Presiding Member, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the books of the Company, with postage thereon prepaid. When all the Members of the Company are present at any meeting, or if those not present sign in writing a waiver of notice of such meeting, or subsequently ratify all the proceedings thereof, the transactions of such meeting are as valid as if a meeting were formally called and notice had been given.

3.4 Quorum.

At any meeting of the Members, a majority of Voting Members represented in person or by proxy, shall constitute a quorum at a meeting of the Members. If less than said majority of the Voting Members are represented at a meeting, a majority of the Voting Members so represented may adjourn the meeting from time to time without further notice. 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 for which notice was originally given. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Voting Members to leave less than a quorum.

3.6 Proxies.

At all meetings of Members, a Voting Member may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Presiding Member of the Company before or at the time of the meeting. No proxy shall be valid after eleven months from date of execution, unless otherwise provided in the proxy.

3.7 Voting by Certain Members.

Voting Membership Certificates held in the name of a corporation, partnership or limited liability company may be voted by such officer, member, partner, agent or proxy as the Bylaws or other equivalent or similar document of such entity may prescribe or, in the absence of such provision, as the Board of Directors or manager(s) of such entity may determine. Certificates held by a trustee, personal representative, administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such certificates into his name.

3.8 Manner of Acting.

3.8.1 Formal action by Voting Members.

Except as otherwise expressly provided herein, the vote of a majority of the Voting Members present at a meeting at which a quorum is present shall be the act of the Members.

3.8.2 Procedure.

The Presiding Member of the Company shall preside at meetings of the Members and may move or second any item of business. A record shall be maintained of the meetings of the Members. The Voting Members may adopt their own rules of procedure, which shall not be inconsistent with this Operating Agreement.

3.8.3 Presumption of Assent.

A Member of the Company who is present at a meeting of the Members at which action on any matter is taken shall be presumed to have assented to the action taken, unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified mail to the secretary of the meeting immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Voting Member who voted in favor of such action.

3.8.4 Action of Members without a Meeting.

The written consent to or approval of an action by all Voting Members shall be effective without a meeting of the Members. In the absence of such unanimous written consent, no action by the Members shall be effective except by vote at a meeting of the Members as herein provided.

3.9 Order of Business.

The order of business at all meetings of the Members, shall be as follows:

1. Roll Call.
2. Proof of notice of meeting or waiver of notice.
3. Reading of minutes of preceding meeting.
4. Report of the Manager.
5. Reports of Committees.
6. Unfinished Business.
7. New Business.

3.10 Telephonic Meeting.

Members of the Company may participate in any meeting of the Members by means of conference telephone or similar communication if all persons participating in such meeting can hear one another for the entire discussion of the matter(s) to be voted upon. Participating in a meeting pursuant to this Section shall constitute presence in person at such meeting.

ARTICLE IV. FISCAL MATTERS

4.1 Fiscal Year.

The fiscal year of the Company shall begin on the first day of January and end on the last day of December each year, unless otherwise determined by resolution of the Voting Members.

4.2 Deposits.

All funds of the Company shall be deposited from time to time to the credit of the Company in such banks, trust companies or other depositories as the Voting Members may select.

4.3 Checks, Drafts, Etc.

All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Company shall be signed by the Manager or by such Member or Members or other agents or employees of the Company as the Voting Members may by resolution specify.

4.4 Loans.

No loans shall be contracted on behalf of the Company and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Voting Members. Such authority may be general or confined to specific instances.

4.5 Contracts.

A Manager appointed or designated pursuant to Article VII, below, shall be deemed to have general and exclusive authority (subject to section 4.4, above) to act on behalf of and to bind the Company for any legal purpose or action, including but not limited to the negotiation, execution and delivery of any contract or instrument in the name of and on behalf of the Company, unless the minutes or instrument by which appointment or designation is made shall expressly limit such authority.

4.6 Accountant.

An Accountant may be selected from time to time by the Manager on behalf of the Members to perform such tax and accounting services as may, from time to time, be required. The Accountant may be removed by the Voting Members without assigning any cause.

4.7 Legal Counsel.

One or more Attorney(s) at Law may be selected from time to time by the Manager on behalf of the Members to review the legal affairs of the Company and to perform such other services as may be required and to report to the Members with respect thereto. The Legal Counsel may be removed by the Voting Members without assigning any cause.

ARTICLE V. MEMBERSHIP CERTIFICATES AND THEIR TRANSFER

5.1 Certificates.

Membership Certificates representing equity interests in the Company shall be in such form as shall be determined by the Voting Members. Such Membership Certificates shall be signed by all the Voting Members. All Membership Certificates shall be consecutively numbered or otherwise identified. The name and address of the person to whom the Membership Certificates are issued, with the capital contribution and the date of issue, shall be entered in the Register of Certificates of the Company. In case of a lost, destroyed or mutilated Membership Certificate, a new one may be issued upon such terms and indemnity to the Company as the Voting Members may prescribe.

5.2 Register of Certificates.

Any and all changes in Members or their respective amounts of capital contributions shall be promptly recorded in the Register of Certificates.

5.3 Transfers of Membership Certificates.

Before any Member may transfer or assign any Membership Certificate or any interest therein (the "offered Certificate"), for or without consideration, such Member (the "offering Member") shall first give written notice to the Company and its Members of all the terms and conditions of the proposed transfer or assignment (the "notice of prospective transfer"), effective forty-eight (48) hours after depositing the same in the United States mail, first-class postage prepaid, addressed to the Company at its registered office and to each Member as shown by the Register of Certificates (the "notice date"), and the Company, for the benefit of the other Members, shall have the first right to acquire or take an assignment of such Certificate on the proposed terms and conditions. For purposes of this section, any transfer to a spouse (excluding a transfer to a Member's current spouse, still married to such Member at his or her death, under the Member's will or otherwise resulting from the Member's death) or family member (including but not limited to inter vivos, testamentary and non-testamentary transfers) shall be deemed a gift unless the contrary is plainly shown and the consideration therefor is readily ascertainable and quantifiable in money or money's worth. A transfer to a Member's current spouse, still married to such Member at his or her death, under the Member's will or otherwise resulting from the Member's death shall not be affected by the provisions of this section, but any subsequent transfer by the Member's spouse shall be.

If within fourteen (14) days of the notice date the Company has not delivered to the offering Member a binding written commitment to acquire or take an assignment of the offered Certificate on the proposed terms and conditions ("purchase commitment"), Members desiring to participate in the transaction may do so in proportion to their respective equity interests as shown by the Register of Certificates or in such other proportion as they may agree. A purchase commitment in response to a proposed gratuitous transfer need not recite or provide for any consideration at closing.

If within twenty-eight (28) days of the notice date neither the Company nor any Member has delivered to the offering Member a purchase commitment for the offered Certificate, the offering Member may transfer or assign the offered Certificate, but only subject to the provisions of the second paragraph following this one and on the proposed terms and to the transferee or assignee identified in the notice of prospective transfer. If the transfer or assignment is not consummated within fifty-six (56) days of the notice date, it shall not be consummated until the offering Member shall have given another notice of prospective transfer and the Company and the Members shall have had the opportunity to acquire or take an assignment of the offered Certificate pursuant to the process described herein.

A purchase commitment shall be deemed delivered upon the first of the following to occur: (a) when served personally; (b) forty-eight (48) hours after the same is deposited in the United States mail, first-class postage prepaid, addressed to the offering Member at the address shown in the Register of Certificates; or (c) when received by facsimile transmission at the place or modum customarily maintained by the Member or from which the Member has transmitted any facsimile transmission to the Company.

If the transfer or assignment is made, whether as originally proposed or otherwise, and the other Members fail to approve the transfer or assignment by unanimous written consent, the Member seeking to transfer or assign his interest shall nonetheless continue as a Member and the transferee or assignee shall have no right to participate in the management of the business and affairs of the Company or to become a Member. The transferee or assignee shall be entitled to receive no more than the share of the profit or other compensation by way of income and the return of contributions to which that Member would otherwise be entitled. The transfer or assignment of a Member's limited liability company interest shall not release the transferring or assigning Member of any obligations or liability to the Company under Idaho Code section 53-627 relating to contributions to capital, whether or not the assignment or transfer is approved by the other Members and without regard to acceptance or rejection of the assignee or transferee as a new Member of the Company.

The Members, for themselves and their respective successors and assigns, hereby irrevocably approve of any transfer to the current spouse of an original Member of the Company living and still married to such Member on his or her death if the transfer includes the Member's Certificate and entire interest in the Company and passes pursuant to the Member's will, by other testamentary disposition or by intestate succession.

ARTICLE VI. BOOKS AND RECORDS

6.1 Books and Records.

The books and records of the Company shall be kept at the principal office of the Company or at such other place or places, within or without the state of Idaho, as the Voting Members shall from time to time determine. At a minimum, such books and record shall consist of:

- (a) a current and a past list, each in alphabetical order, setting forth the full name and last known mailing address (and facsimile number, if any) of each Member;
- (b) a copy of the articles of organization and all amendments thereto, together with executed copies

of any powers of attorney pursuant to which the articles of amendment have been executed;

(c) copies of the Company's federal, state and (if applicable) local income tax returns and financial statements, if any, for the three (3) most recent years or, if those returns and statements were not prepared for any reason, copies of the information and statements provided to, or which should have been provided to, the Members to enable them to prepare their federal, state and local tax returns for the period;

(d) copies of this Operating Agreement, all amendments hereto, and any Operating Agreements that replace, restate or supersede this one;

(e) a record of the amount of cash, if any, and a statement of the agreed value of other property or services, if any contributed by each Member and the times at which or events upon the happening of which any additional contributions are to be made by any Member; and

(f) minutes of all Members' meetings, written consents of Members to actions, notices and waivers of notices, and any other writings specified herein to be maintained with the books and records of the Company.

6.2 Right of Inspection.

Any Member of the Company shall have the right to examine at any reasonable time or times for any purpose the books and records of account, minutes and records of Members and to make copies thereof. Such inspection may be made by any agent or attorney of the Member. Upon the written request of any Member of the Company, it shall mail to such Member its most recent financial statements, showing in reasonable detail its assets and liabilities and the results of its operations.

6.3 Financial Records.

All financial records shall be maintained and reported based on generally acceptable accounting principles consistently applied.

ARTICLE VII. ALLOCATIONS AND DISTRIBUTIONS

The Company may from time to time distribute to its Members in proportion to their respective equity interests accumulated profits the Voting Members agree are not necessary for the cash or other needs of the Company's business. From time to time, but not less frequently than annually, the Company shall allocate to its Members their respective shares of profits and losses from operations on the basis of their respective equity interests as shown in the Register of Certificates.

After all liabilities to all creditors, including Members and former Members who are creditors, all remaining assets of the Company shall be distributed after dissolution and in the course of winding up to the Members in proportion to their respective equity interests.

Prior to dissolution and winding up, if any assets of the Company other than profits, reimbursement or compensation are to be distributed to all Members of the Company, such distributions shall be made to the Members in proportion to their respective equity interests.

Distribution of Company assets to a dissociating Member shall be made within fifty-six (56) days of the event of dissociation and shall be in an amount equal to the Member's equity interest plus such Member's prorated share of undistributed cash profits.

A Member shall have no right to demand any distribution from the Company in any form other than cash.

A Member shall have no right to demand any distribution if to make the distribution would render the Company insolvent or if it is insolvent at the time as determined under any applicable law.

Notwithstanding any provision hereof to the contrary, it is the intention of each Member and the Company that all distributions and allocations of income, gain, loss, deduction or credit (or item thereof) shall be made in accordance with, and shall have, "substantial economic effect" within the meaning of Internal Revenue Code section 704 and Treasury Regulations promulgated thereunder as in effect from time to time. Accordingly, each Member authorizes such adjustments to distributions and allocations as may be required to accomplish this result. Also, and for the same purpose, the "qualified income offset" and

“minimum gain” requirements of Treasury Regulations promulgated under Internal Revenue Code section 704(b), as the same may be amended from time to time, are incorporated herein by this reference.

ARTICLE VIII. MANAGEMENT

The business of the Company shall be conducted under the management of a Manager, who shall have exclusive authority to act for the Company in all matters. The Manager shall not be elected, removed, or replaced except upon the vote, approval or consent of the holders of a majority of the voting power of the Company. The Manager may but need not be a Member of the Company or a natural person. Unless the Manager shall be sooner removed or shall resign, the Manager shall hold office until his successor shall have been elected and qualified.

The Manager shall act as the Presiding Member at meetings of the Members and the Voting Members may designate one person to act as Secretary of Members' meetings to record and maintain the Company's official record of the actions taken by its Members and to maintain the Register of Certificates. If the Company shall ever have only one Member, the Presiding Member and the Secretary may be the same person, but in all other cases they shall be different persons. The Secretary shall serve in that capacity until he resigns, dies, is dissociated from the Company, or is removed by the Voting Members. Any such resignations shall be communicated to the Company and all its Members in the manner hereinafter provided for notices to be given. The Secretary shall have no management duties except as expressly provided or as specified in the written designation by which the appointment is made, which written designation and any resignation of such designated position shall be maintained in the records of the Company maintained pursuant to Idaho Code section 53-625(1)(e)(iii) as a writing prepared pursuant to a requirement of this Operating Agreement.

Voting Members or the Manager may designate one or more persons to act on behalf of the Company in certain specified, ministerial matters; provided that each specified matter alone, and all such matters together, shall not result in or be construed as vesting management of the Company in such person, which management responsibility and authority shall remain vested in the Manager. Rather, such designations shall be limited to ministerial matters or to ministerial aspects of specific transactions or functions, and shall be reflected in the records of the Company maintained pursuant to Idaho Code section 53-625(1)(e)(iii) as a writing prepared pursuant to a requirement of this Operating Agreement.

ARTICLE IX.
DISSOLUTION AND TERMINATION

9.1 Dissolution.

The Company shall be dissolved and its affairs wound up upon the occurrence of any of the following events:

- (a) by the unanimous written agreement of all Members; or
- (b) upon the death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member or occurrence of any other event which terminates the continued membership of a Member in the Company (a "Withdrawal Event") unless the business of the Company is continued by the written consent of all the remaining Members within 90 days after the Withdrawal Event and there are at least two remaining Members. Each such consent shall be filed with the Company in any matter permitted for notice to the Company and retained with the permanent books and records of the Company as provided in Article V hereof.

Notwithstanding any provision hereof to the contrary, the death of a Member shall not constitute a Withdrawal Event if as a result the Member's Certificate and entire interest in the Company passes to the deceased Member's current spouse who is still married to such Member at his or her death pursuant to the Member's will, by other testamentary disposition or by intestate succession.

9.2 Legal Representative of Deceased or Incompetent Member.

If a Member who is an individual dies or a court of competent jurisdiction adjudges him to be incompetent to manage his person or his property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling his estate or administering his property.

9.3 Rights of Resigning Member.

A Member who resigns or whose interest is otherwise terminated by virtue of a Withdrawal Event shall not be entitled to receive any distributions to which such Member would not have been entitled had such Member remained a Member.

9.4 Winding Up, Liquidation and Distribution of Assets.

Upon dissolution, an accounting shall be made of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. Subject to the provisions of the next section below, the Members shall immediately proceed to wind up the affairs of the Company. Distribution of assets and allocation of profits and losses shall be in accordance with Article VI hereof.

9.5 Articles of Dissolution.

As soon as the Company is dissolved, whether upon the occurrence of an event or by reason of the expiration of the terms specified in its articles of organization, articles of dissolution shall promptly be executed and verified by the person signing the articles, which articles shall set forth the information required by Idaho Code Section 53-647. Such articles of dissolution shall be filed as soon as possible with the Idaho Secretary of State; provided, however, whenever dissolution is caused by the dissociation of a Member, such articles of dissolution shall not be filed until a special meeting of the Members has been convened pursuant to notice as soon as possible following such dissociation for the purpose of deciding whether to continue the Company and its business. Any such decision in favor of continuing shall not be effective unless all remaining Members unanimously agree and consent to the same.

9.6 Return of Contribution Nonrecourse to Other Members.

Except as provided by law or as expressly provided in this Operating Agreement, upon dissolution, each Member shall look solely to the assets of the Company for the return of his capital contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the capital contribution of one or more Members, such Member or Members shall have no recourse against any other Member for such capital contribution or any portion thereof.

ARTICLE IX. MISCELLANEOUS

9.1 Notice.

Any notice or consent contemplated by or required or permitted to be given pursuant to the provisions of the Idaho Limited Liability Company Act (Idaho Code sections 53-601 et seq.), the articles of organization of the Company or this Operating Agreement shall be in writing and deemed given and effective: (a) when served personally upon the Member or Members to whom it is addressed, or, in the case of notice to the Company, upon its registered agent; (b) forty-eight (48) hours after the same is deposited in the United States mail, first-class postage prepaid, addressed to the Member or Members to whom it is directed at the address or addresses shown in the Register of Certificates or, in the case of notice to the Company, at its registered office; or (c) when received by facsimile transmission at the place or modum of the Member shown in the Register of Certificates or from which the Member has transmitted any facsimile transmission to the Company, or, in the case of notice to the Company, at the place, if any, the Company maintains a modum for the receipt of facsimile transmissions.

9.2 Waiver of Notice.

Whenever any notice is required to be given, a waiver thereof, in writing, signed by the persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

9.3 Indemnification by the Company.

The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Member of the Company, Manager, Presiding Member, Secretary, employee or agent of the Company, or is or was serving at the request of the Company as an officer, director, employee, agent, member, manager, or presiding member of any other corporation, partnership, limited partnership, limited liability company, association or any other legal entity, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if disinterested Members who own the majority of equity interests in the Company determine that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not in itself create a presumption that the person did or did not act in good faith and in a manner which he reasonably

believed to be in the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

9.4 Indemnification Funding.

The Company may fund the indemnification obligations provided by Section 9.3 in such manner and to such extent as the Members may from time to time deem proper.

9.5 Members' Duties of Loyalty.

Members of this Company have a duty of undivided loyalty to this Company and each other in all matters affecting this Company's and its Members' interests. Every Member must account to the Company and hold as trustee for it any profit or benefit derived by such Member without the consent of the disinterested holders of a majority of the equity interests in the Company as shown by its Register of Certificates from:

(a) any transaction connected with the conduct or winding up of the Company; or

(b) any use by the Member of the Company's property, including, but not limited to, confidential or proprietary information of the Company or other matters entrusted to the Member as a result of his status as such.

9.6 Duties of Care.

Neither the Manager nor any Member shall be liable, responsible or accountable in damages or otherwise to the Company or its Members for any action taken or failure to act on behalf of the Company unless the act or omission constitutes negligence, gross negligence or willful misconduct.

ARTICLE X. AMENDMENTS

This Operating Agreement may not be altered, amended, restated, or repealed except by unanimous written agreement of the Voting Members.

RATIFICATION

The undersigned, being all of the Members of Rember Properties L.L.C., an Idaho Limited Liability Company, hereby evidence their adoption and ratification of the foregoing Operating Agreement of the Company effective the day and year first written above.

Craig V. Rember
Craig V. Rember

Date: 4-26-99

L. Elizabeth Rember
L. Elizabeth Rember

Date: 4-26-99

EXHIBIT A

The Voting Members, their sharing ratios of voting interests and their sharing ratios of equity interests as Voting Members shall be as follows:

<u>Name</u>	<u>Voting Interests</u>	<u>Equity Interests</u>
Craig V. Rember	Fifty Percent (50%)	One-half Percent (.5%)
L. Elizabeth Rember	Fifty Percent (50%)	One-half Percent (.5%)

EXHIBIT B

The Non-Voting Members, their sharing ratios of non-voting interests and their sharing ratios of equity interests as Non-Voting Members shall be as follows:

<u>Name</u>	<u>Non-Voting Interests</u>	<u>Equity Interests</u>
Craig V. Rember	Fifty Percent (50%)	Forty-nine and one-half Percent (49.5%)
L. Elizabeth Rember	Fifty Percent (50%)	Forty-nine and one-half Percent (49.5%)

THE CRAIG & ELIZABETH REMBER
FAMILY TRUST

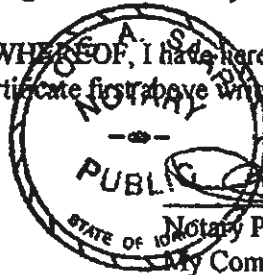
By Craig V. Rember
Craig V. Rember, Trustee

By L. Elizabeth Rember
L. Elizabeth Rember, Trustee

STATE OF IDAHO)
ss.
County of Ada)

On this 54th day of April, 1999, before me, the undersigned, a Notary Public in and for said State, personally appeared CRAIG V. REMBER and L. ELIZABETH REMBER, husband and wife, known or identified to me to be the persons whose names are subscribed in the above instrument and acknowledged to me that they executed the same as Grantors.

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

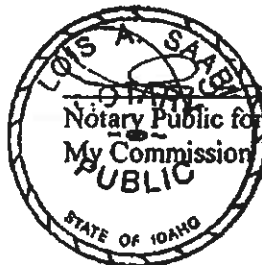


A. S. Sain
Notary Public for Idaho
My Commission Expires 3/3000

STATE OF IDAHO)
ss.
County of Ada)

On this 54th day of April, 1999, before me, the undersigned, a Notary Public in and for said State, personally appeared CRAIG V. REMBER and L. ELIZABETH REMBER, known or identified to me to be the persons whose names are subscribed in the above instrument and acknowledged to me that they executed the same in their capacity as Trustee of The Craig & Elizabeth Rember Family 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.



A. S. Sain
Notary Public for Idaho
My Commission Expires 3/3000

429370

Deed

When Recorded Return To:

Moffatt, Thomas, Barrett, Rock & Fields, Chartered
Post Office Box 829
Boise, Idaho 83701-0829
Attention: Stephen R. Drake

BLAINE CO. REQUEST

BY: *Moffitt - Thomas*

'99 JUL 12 PM 12 00

~~RECORDED BY CLERK~~ *me*

FEES \$ *9.00*

QUITCLAIM DEED

For value received, CRAIG V. REMBER and L. ELIZABETH REMBER, hereinafter "Grantor," does release and forever quitclaim unto REMBER PROPERTIES LLC, an Idaho limited liability company "Grantee," and to Grantees' heirs and assigns, all title which Grantor now has or may hereafter acquire, in that certain real property situated in Blaine County, State of Idaho, more particularly described more particularly described on Exhibit A attached hereto.

Dated this 26th day of April, 1999.

Craig V. Rember
CRAIG V. REMBER

L. Elizabeth Rember
L. ELIZABETH REMBER

EXHIBIT A

PARCEL 1

East ½ of the NW ¼ of Section 23, Township 1 North, Range 18
East, Blaine County, Idaho

80 acres
agriculture

PARCEL 2

North ½ of NE ¼ of the NE ¼ of Section 23, Township 1 North,
Range 18 East, Blaine County, Idaho

70 acres
industrial