

**ARTICLES OF INCORPORATION  
OF  
CLE MUTUAL BENEFIT COMPANY**

**ONE:**

The name of this corporation is CLE MUTUAL BENEFIT COMPANY.

**TWO:**

This corporation is a non-profit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law. The specific and primary business for which this corporation is formed is to acquire, operate and maintain water service and fire protection systems and other utilities and to administer and enforce covenants running with the land regarding development conditions and restrictions, easements and maintenance for the mutual benefit of its members.

**THREE:**

The corporation shall admit persons to membership subject to the terms and conditions set forth in the bylaws. The manner in which directors shall be chosen and removed from office, their qualifications, powers, duties, compensation, and tenure of office, the manner of filling vacancies on the board, and the manner of calling and holding meetings of directors, shall be as stated in the bylaws.

**FOUR:**

The memberships issued by the corporation shall be assessable for purposes of paying the cost of water, plus necessary costs of construction, installation, maintenance, and operation of water wells, storage systems, treatment systems, distribution systems and fire suppression systems, and for paying the cost of maintaining roads, drainage, utility, park and other easements and fences owned or controlled by the corporation and for the administration of other requirements of the corporation. The amount of the assessment, the times, intervals, notice and method of collection will be prescribed by the directors.

IN WITNESS WHEREOF, the undersigned, constituting the directors of this corporation, have executed these Amended Articles of Incorporation this \_\_th day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name