

DRAFT Minutes

Provo Bench Canal & Irrigation Company Special Shareholders Meeting Minutes

Date: September 27, 2025 - Time: 10:00 a.m.

Location: Central Utah Water Conservancy District, Orem, Utah

These long version, narrated minutes are provided for shareholder transparency and reflect the substance of the discussion, questions, clarifications, and decisions that took place during the Special Shareholders Meeting. They are not a verbatim transcript but a complete narrative account of the proceedings. They are in draft form only and have not yet been approved.

1. Call to Order

The Special Shareholders Meeting of the Provo Bench Canal & Irrigation Company was called to order at approximately 10:00 a.m. by President Juan Garrido. He welcomed everyone and confirmed that a quorum was present with shareholders represented both in person and by proxy.

2. Attendance

A complete list of shareholders attending in person or by proxy was recorded on the official attendance roll, which is incorporated herein by reference.

3. Overview and Purpose

President Juan Garrido explained that the purpose of the meeting was to consider and vote on the Proposal to Dissolve the Company and the Plan of Dissolution, both of which had been adopted by the Board of Directors in accordance with Utah Code Ann. §16-6a-1402(5)–(6).

He explained that the proposal was the product of several years of discussion among the Company's major shareholders and various municipal representatives. He noted that these entities now own approximately ninety percent of the Company's outstanding shares, and that each had expressed the desire to withdraw from the canal delivery system and manage their water through other means. Because such withdrawals could not occur without destabilizing the Company's operations, dissolution had become the only practical and equitable path forward. Attorney Jon Schutz was invited to present legal details of the Plan of Dissolution.

4. Legal Presentation by Attorney John Schutz

Attorney Jon Schutz began by clarifying that he represents the Company as a whole, not any individual shareholder or district. He gave a thorough explanation of the Plan and the reasoning behind it, noting that the Company's assets consist primarily of Provo River direct flow water rights and a portion of the Provo River Water Users Association storage rights in Deer Creek Reservoir. He explained that each Provo Bench share contains both a natural flow and a storage component, and that due to structural differences between the two, the dissolution process needed to account for fractional interests that could not be converted directly into Association shares.

Under the Plan of Dissolution, each shareholder would have two options: to elect to retain their proportional water rights and coordinate transfer through an appropriate successor entity or district on their own, or to participate in a sale or cash-out of their proportional share of the Company's assets. He stressed that the purpose of the dissolution was to give shareholders flexibility and preserve equity, not to force a sale. He also explained that after shareholder approval, the Company would settle all debts, manage any outstanding maintenance obligations, and file Articles of Dissolution with the State of Utah once distributions were complete.

Following this explanation, President Garrido invited questions from the floor.

5. Shareholder Discussion and Questions

Shareholders raised questions regarding the timeline for elections, whether another meeting would occur before final elections, and how the sale or auction process would work. Attorney Schutz explained the 21-day election period in the Plan and noted that the Company could extend that deadline if necessary. Shareholder Rick Malloy moved to extend the election period to 45 days; the motion was seconded and unanimously approved. Additional questions regarding

combining fractional shares and representation of small shareholders were answered, and a subsequent motion requiring an in-person meeting before elections was withdrawn.

Shareholders asked whether an additional meeting would be held before that election period closed or whether information would be provided only by mail. Attorney Schutz clarified that the Company intended to mail written instructions and election materials to every shareholder within that extended 45-day window and would hold another meeting only if needed for clarification. President Garrido added that the Company's objective was transparency.

There were questions about the value of shares and how any sale or auction might be conducted. Attorney Schutz explained that while a specific sale mechanism had not yet been finalized, any sale would be handled through a fair, open process overseen by the Company or its successor, and shareholders would be given full notice before any transaction took place.

Several attendees sought clarification about fractional shares and how they would be treated. Schutz explained that because the Provo River Water Users Association does not allow fractional shares, the Company's smaller shareholders would have the option to combine holdings with others to create full-share equivalents for transfer or to participate in the cash-out option. This would ensure that every shareholder's interest could be properly accounted for.

During the discussion, a few shareholders voiced concern about how smaller or long-time family shareholders would be treated compared to larger institutional owners. President Garrido reassured those present that each vote counted per share owned, and that all distributions under the Plan would be strictly proportional. He emphasized that the dissolution was intended to protect shareholder value and to transition the Company's responsibilities in an orderly manner.

Several technical questions arose about water delivery and whether the Provo Bench Canal shares were connected to the Murdock Canal system. It was explained that the Provo Bench Canal operates under a separate diversion from the Provo River, not the Murdock Canal, and therefore is not affected by the same delivery systems used by neighboring companies.

Other questions included how future communication would occur, what would happen if a shareholder failed to make an election, and whether the Company's website would post updates. Attorney Schutz confirmed that shareholders who did not return an election form by the deadline would be deemed to have chosen the cash-out option. The Corporate Secretary noted that updates would continue to be distributed by mail, email, and on the shareholder website.

6. Voting Procedure and Announcement of Results

Following discussion, President Garrido reiterated the purpose of the day's meeting—to formally vote on whether to approve the dissolution of the Company and adopt the Plan of Dissolution as recommended by the Board of Directors. Attorney Schutz confirmed that approval by a majority of outstanding shares was required under Utah law.

Each shareholder received a ballot indicating 'YES' or 'NO' to approve the Proposal to Dissolve and adopt the Plan of Dissolution. Ballots were signed, collected, and recorded by the treasurer.

Following tabulation, the treasurer announced that the Proposal to Dissolve the Provo Bench Canal & Irrigation Company and adopt the Plan of Dissolution was approved by the affirmative vote of shareholders representing a majority of outstanding shares. The detailed vote tally is recorded in the official ballot report.

7. Next Steps and Closing Discussion

President Garrido and Attorney Schutz outlined that shareholders would receive written notice within 45 days including election forms and explanatory materials. Failure to return elections by the deadline will constitute selection of the cash-out option. Additional updates will be provided as needed.

After the vote, President Garrido thanked shareholders for their participation and restated that within 45 days, all shareholders would receive notice of their election options and further instructions. The Board and management team

committed to ensuring clear communication during the transition period and to handling the winding-up process in accordance with law and fairness to all shareholders.

8. Adjournment

With no further business to come before the meeting, upon motion duly made and seconded and approved, the Special Shareholders Meeting of the Provo Bench Canal & Irrigation Company was adjourned at approximately 11:45 a.m.

Respectfully submitted,

Tamara Shafer, Corporate Secretary

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