

FILLMORE WATER USERS ASSOCIATION, INC.

Bylaws

ARTICLE ONE

Offices

The principal office of the corporation shall be located at Fillmore, Utah.

ARTICLE TWO

Members

Section 1

There shall be one class of members of the corporation, designated as common water stock owners. Any person, firm, partnership or corporation may initially become a member of the association who owns Fillmore City irrigation water rights. The association shall issue up to 510.49 shares. Initially shares shall be exchanged with owners of water rights on the basis of one share for each "lot" of Fillmore City irrigation water right; or a fraction of a share for a corresponding fraction of a "lot" of Fillmore City irrigation water right.

Each person, firm, partnership or corporation which exchanges Fillmore City irrigation water right for shares or fraction of a share in the Fillmore

Water Users Association shall be a member of the association.

Section 2

Provided however that Section 1 above shall be limited as follows; each share or fraction of a share issued by the association in exchange for Fillmore City water rights, shall only entitle the member to the use of irrigation water from the ditch system which the member obtained irrigation water prior to the exchange.

Section 3

Each member shall be entitled to one vote per share or a fractional vote equal to his fractional share on each matter submitted to a vote of the members.

Section 4

Membership in this corporation is transferable by transferring shares or fractional shares of this corporation. There shall be no limit on the number of members so long as each member owns a share or fractional share of the corporation.

ARTICLE THREE

Meetings of Members

Section 1

An annual meeting of the members shall be held at Fillmore, Utah on the first Tuesday in the month of March in each year, beginning with the year 1976, at the hour of 7:30 p.m. for the purpose of electing trustees and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting is a legal holiday in the State of Utah, such meeting shall be held on the next succeeding business day. If the election of trustees is not held on the day designated herein for any annual meeting, or at any adjournment hereof, the board of trustees shall cause the

election to be held at a special meeting of the members as soon thereafter as is convenient.

Notice of each annual meeting shall be published in a newspaper of local circulation, at least twice, ten days before the date of each meeting.

Section 2

A special meeting of the members may be called by the chairman, the board of trustees, or not less than 1/4 of the members having the right to cast votes entitled to be cast at such meeting. Special meetings shall be held at the principal place of business for the corporation.

Notice of such special meeting shall be published in a newspaper of local circulation at least twice, ten days before the date of any such meeting.

Section 3

Members holding 51 percent of the votes or proxies thereof, that may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

Section 4

At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by a duly authorized attorney in fact. No proxy shall be valid after six months from the date of execution unless otherwise provided in the proxy.

Section 5

Where trustees or officers are to be elected by members, such election may be conducted by mail in such a manner as the board of trustees shall determine.

Section 6

Each member shall be entitled to one vote per one share of stock or a

fractional vote equal to a fractional share. A member may vote in person or may vote by proxy executed in writing by the member or by a duly authorized attorney in fact. The vote of a majority of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted on by the members.

ARTICLE FOUR Board of Trustees

Section 1

The affairs of the corporation shall be managed by its board of trustees.

Section 2

The number of trustees shall be five. Trustees shall be elected at the annual meeting of members. The first elected board of trustees shall be elected at the annual meeting for 1976. At said annual meeting two members of the board of trustees shall be elected for terms of one year. Two members of the board of trustees shall be elected for a term of two years. One member shall be elected for a term of three years. Each trustee shall serve his respective term of office until the next meeting of members and the election and qualification of his successor trustee.

Section 3

In order to qualify for membership on the board of trustees, a person must own shares or a fractional share of the Fillmore Water Users Association.

Section 4

X A regular meeting of the board of trustees shall be held without any other notice other than this bylaw immediately after, and at the same place as the annual meeting of members. The board of trustees may provide by resolution, the time and place of holding additional regular meetings without other notice than such resolution. Additional regular meetings shall be held

at the principal office of the corporation in the absence of any designation in the resolution.

Section 5

Special meetings of the board of trustees may be called by or at the request of the chairman or any two trustees and shall be held at the principal office of the corporation or such other place the trustees may determine.

Section 6

Notice of any special meeting of the board of trustees shall be given at least two days previously thereto by regular notice delivered personally or sent by mail to each trustee at his address as shown by the records of the corporation. If mailed, such notice shall determine to be delivered when deposited in the U.S. mail in a sealed envelope addressed with postage thereon prepaid. Any trustee may waive notice of any meeting. The attendance of a trustee at any meeting shall constitute a waiver of notice of such meeting except where a trustee attends a meeting for the express purpose of objecting to the transaction of any business, because the meeting is not lawfully called or convened. Business to be transacted at the meeting need not be specified in the notice or waiver of notice of such meeting unless specifically required by law or by these bylaws.

Section 7

A majority of the board of trustees shall constitute a quorum for the transaction of business at any meeting of the board. But if less than a majority of the trustees are present at the meeting, a majority of the trustees present may adjourn the meeting from time to time without further notice.

Section 8

The act of a majority of the trustees present at a meeting at which a quorum is present shall be the act of the board of trustees unless the act of a greater number is required by law or by these bylaws.

Section 9

Any vacancy occurring in the board of trustees shall be filled by the board of trustees. A trustee appointed to fill a vacancy shall serve for the unexpired term of his predecessor in office. Each such appointment by the board shall be subject to the approval or disapproval of the members at the next regular meeting of the members, in the event the appointed member's term does not expire prior to or on the date of said regular meeting.

Section 10

Trustees as such shall not receive any stated salary for their services, but by resolution of the board of trustees a fixed sum and an expense of attendance, if any, may be allowed for attendance at any regular or special meeting of the board. Nothing herein shall be construed to preclude any trustee from serving the corporation in any other capacity and receiving compensation therefore.

ARTICLE FIVE

Officers

Section 1

The officers of the corporation shall be a chairman, vice-chairman and a secretary-treasurer. The chairman and vice-chairman shall each be a qualified member of the board of trustees. The secretary-treasurer need not be a board member and need not be a share holder of the corporation. The board of trustees may elect or appoint such other officers, including one or more assistant secretary and one or more assistant treasurer as it deems desirable, such officers to have the authority and perform the duties prescribed from time to time by the board of trustees. Any two or more offices may be held by the same person except the office of chairman and vice-chairman, or chairman and secretary-treasurer or vice chairman and secretary-treasurer.

Section 2

X The officers of the corporation shall be elected annually by the board of trustees at the regular annual meeting of the board of trustees. If the election of officers is not held at such meeting such election shall be held as soon thereafter as is convenient. New offices may be created and filled at any meeting of the board of trustees. Each officer shall hold office until his successor has been duly elected and qualified.

Section 3

Any officer elected or appointed by the board of trustees may be removed by the board of trustees whenever in its judgment the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights of any of the officers so removed.

Section 4

A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the board of trustees for the unexpired portion of the term.

Section 5

The several officers shall have such powers and shall perform such duties as may from time to time be specified in resolution or other directives of the board of trustees. If not so specified the officers shall have the power and authority and shall perform and discharge the duties of office of the same title serving in a non-profit corporation having the same similar general purposes and objectives in this corporation.

ARTICLE SIX

Committees

Section 1

The board of trustees by resolution may designate one or more committees which shall consist of one or more trustees. To the extent provided in the resolutions, the committee shall have and exercise the authority of the board of trustees in the management of the corporation, but the designation

of such committee and the delegation thereto of authority shall not relieve the board of trustees or any individual trustee of any responsibility.

Section 2

Other committees not having the authority of the board of trustees in the management of the corporation may be designated by a resolution adopted by a majority of the trustees present at the meeting at which a quorum is present. Except as otherwise provided, members of such committees shall be members of the corporation and the board of trustees shall appoint the committee members thereof.

ARTICLE SEVEN

Contracts, Checks, Deposits and Funds

Section 1

The board of trustees may authorize any officer or officers to enter into any contract or execute and deliver any instrument in the name of and in behalf of the corporation and such authority may be general or may be confined to specific instances.

Section 2

All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the corporation shall be signed by such officer or officers and in such manner as shall from time to time be determined by resolution of the board of trustees. In the absence of any such resolution by the board of trustees, such instruments shall be signed by the chairman or vice-chairman of the corporation, and the secretary-treasurer.

Section 3

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks or other depositories as the board of trustees may select.

Section 4

The board of trustees may accept on behalf of the corporation any contributions, gifts, bequest or dividend for any purpose of the corporation.

ARTICLE EIGHT

Certificate of Membership

Section 1

The board of trustees shall provide for the issuance of certificates evidencing membership in the corporation, which certificates shall be in such form as may be determined by the board. Such certificates shall be signed by the chairman or vice-chairman and by the secretary-treasurer and shall be sealed with the seal of the corporation. All certificates evidencing membership shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the corporation. If any certificate is lost, mutilated or destroyed, a new certificate may be issued therefore on such terms and conditions as the board of trustee may determine.

Section 2

A certificate of stock shall be issued to each person, firm or corporation who exchanges one lot of Fillmore City irrigation water right or exchanges a fraction of a lot of Fillmore City irrigation water right for a corresponding fraction of a share. The said certificate of membership shall be issued in the name of the person making the exchange and delivered to him by the secretary-treasurer.

ARTICLE NINE

Books and Records

Section 1

The corporation shall keep complete books and records of accounts and

shall also keep minutes of the proceedings of its board of trustees, committees having and exercising any of its authority of the board of trustees, and other committees. The corporation shall also keep at the principal office records giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected at any time by any member of his agent or attorney for any purpose at any reasonable time.

Section 2

The secretary-treasurer shall maintain transfer books for the purpose of maintaining a record of members and their transfer of shares or fractional shares in the corporation. For the purpose of determining members entitled to notice or to vote at any meeting of members or any adjournment thereof or to make a determination of membership for any other proper purpose, the board of trustees of the corporation may provide that the stock transfer books shall be closed for a stated period not to exceed 30 days. If the stock transfer book shall be closed for the purpose of determining members entitled to notice of or to vote at a meeting of members, such books shall be closed for at least ten days immediately proceeding such meeting.

ARTICLE TEN

Physical Year

Section 1

The physical year of the corporation shall be the calendar year.

ARTICLE ELEVEN

Seal

Section 1

The board of directors shall provide a corporate seal which shall be designed and approved by the board of trustees.

ARTICLE TWELVE
Amendments of Bylaws

Section 1

These bylaws may be altered, amended or revised and new bylaws may be adopted by a majority of the ^{Stock Holders 2-3-76} (trustees) present at any regular meeting or at any special meeting.

ARTICLE THIRTEEN

Audit

Section 1

Trustees shall cause an audit to be performed each year auditing the books and records of the corporation and shall present a report to the members at each annual meeting.

CERTIFICATE OF BYLAWS

The foregoing bylaws, consisting of Pages 1 through 11 were passed and adopted by a unanimous vote as the bylaws of Fillmore Water Users Association, Inc. at a regular meeting of the Board of Trustees of the corporation at Fillmore, Utah on August 20, 1975.

Witness my hand and seal of the corporation this 20th day of August, 1975.

Mark L. Panton
President

Keith Chapman
Secretary

Amendment to By-Laws

Article Four Section 2

The number of trustees shall be five. Trustees shall be elected at the annual meeting of members. Beginning in the year 2000, the formerly one-year board members and the three year board member will be elected as two-year board members. Thus every other year, two members are voted upon for a two-year term. The opposite year, three members are voted upon for a two-year term. Each trustee shall serve his respective term of office until the next meeting of members and the election and qualification of his successor trustee.