

**FIRST AMENDED AND RESTATED
BY-LAWS**

OF

Prairie Land Water Association, Inc.

Article I

General Purposes

The purposes for which this Corporation, and the powers which it may exercise, are set forth in the Articles of Incorporation of the Corporation.

Article II

Name and Location

Section 1 The name of this corporation is the Prairie Land Water Association, Inc.

Section 2 The principal office of this corporation shall be located at 150 Artesia Road, Columbus Mississippi, but the corporation may maintain offices and places of business at such other places within or without the state as the Board of Directors may determine.

Article III

Seal

Section 1 The seal of the corporation shall have inscribed thereon the name of the corporation, the year of its organization and the words “Non-Stock Corporation, Mississippi”.

Section 2 The Secretary of the corporation shall have custody of the seal.

Section 3 The seal may be used by causing it, or a facsimile thereof, to be impressed or affixed or reproduced or otherwise.

Article IV

Fiscal Year

The fiscal year of the corporation shall begin the 1st day of July of each year.

Article V

Membership

Any bona fide water user who has applied for service by:

- A "New extension where meter is financed".The user has signed a water user's agreement, paid an initiation fee, which includes a \$25.00 membership fee, an applicable water deposit, and a connection fee, has met the approval of the Board of Directors, and is current with his account, as a member.
- B "New meter connection to existing system". The user has paid a \$25.00 membership fee, within the applicable new meter service fee and water deposit and is current with his account, is a member.
- C "Existing meter service".The user has paid the applicable water deposit, a \$25.00 membership fee, and is current with his account, as a member. Memberships of existing meter services are transferred to the proceeding user when the new water deposit is paid.

No person, otherwise eligible, shall be permitted to subscribe for or acquire a membership of the corporation, if the capacity of the corporation's water system is exhausted by the needs of its existing members.

Article VI

Membership Certificates

Section 1 This Corporation shall not have Capital Stock and membership, in the corporation, shall only represent the right to use and enjoy the benefits of the corporation's water supply system upon further payment of reasonable charges based upon such use.

Section 2 Certification of Membership shall be determined by the water deposit paid by each user, on file, in the association's business office and verification that each account is current. No member of this corporation shall be entitled to more than one vote at meetings of the members, even though he may hold other memberships with his name designated on the water deposit.

Article VII

Meetings of Members

Section 1 The annual meeting of the members of this corporation shall be held at the water plant at 150 Artesia Road, in the county of Lowndes, State of Mississippi, at 7:00 O'clock P.M. on the 2nd Tuesday in August of each year, if not a legal holiday, or if a legal holiday, on the next Tuesday following. If there is an exception to this, all members will be notified of the new date, by mail.

Section 2 Special meetings of the members may be called at any time by the action of the Board of Directors and such meetings must be called whenever a petition requesting such a meeting is signed by at least ten percent of the members, and presented to the Secretary or to the Board of Directors. The purpose of every special meeting shall be stated in the notice thereof and no business shall be transacted except such as is specified in the notice.

Section 3 Notice of meetings of members of the corporation may be given by a notice mailed to each member of record, directed to the address shown upon the books of the corporation at least ten days prior to the meeting. Such a notice shall state the nature, time, place and purpose of the meeting but no failure or irregularity of notice of any annual meeting, regularly held, shall affect any proceedings taken thereat.

Section 4 The presence at a meeting of members entitles to cast in their own right or by proxy of one (1) percent of the total number of votes shall constitute a quorum at any meeting of the corporation for the transaction of business. The voting powers of the members of this corporation shall be equal. Each member shall have one vote only. Voting by proxy shall be permitted upon receipt no less than ten (10) days prior to a meeting by the president of the Board of Directors of written request from a member, which request shall contain the reason necessitating such proxy. Proxies, once received by the President of the board of Directors in accordance with the preceding sentence, may be general or restrictive. Proxies shall be revocable and shall not be valid beyond eleven (11) months, nor after termination of the membership by cessation of the member's interest in the property.

Section 5 Directors of this corporation shall be elected at the annual meeting of the members.

Section 6 The order of business, at the regular meetings, and as much as possible at all other meetings shall be:

- 1 Calling to order and proof of quorum
- 2 Proof of notice of meeting (Special meetings only)
- 3 Reading and action on any unapproved minutes
- 4 Reports of officers and/or committees
- 5 Election of Directors (Annual meeting only)
- 6 Unfinished business
- 7 New business
- 8 Adjournment

Article VIII

Board of Directors and Officers

Section 1 The Board of Directors of this corporation shall consist of five members, all of whom shall be members of the corporation. The Directors named in the Articles of Incorporation shall serve until the first annual meeting of the members and until their

successors are elected and have qualified. At the first annual meeting of the members, one Director shall be elected, for a term of one year, two Directors for a term of two years and two Directors for a term of three years. At each annual meeting thereafter, the members shall elect, for a term of three years, the number of Directors whose terms of office shall have expired. The elected Directors must reside in the water district, be a member in good standing, for at least one year, and must be present when elected to the board.

Section 2 The Board of Directors shall meet within thirty days after the annual election of Directors and shall elect, by ballot, a President, Vice-president and Secretary/Treasurer, each of whom shall hold office until the next annual meeting and until the election and qualification of his successor unless sooner removed by death, resignation or for cause.

Section 3 If the office of any Director becomes vacant by reason of death, resignation, or for cause, a majority of the remaining Directors shall, by majority vote, choose a successor who shall hold office until the next annual meeting of the members of the corporation. At that time, the members shall elect a Director for the unexpired term or otherwise provide that in the call of such regular meeting a notice of such election shall be given.

Section 4 A majority of the Board of Directors shall constitute a quorum, at any meeting of the board.

Section 5 Compensation of officers and directors may be fixed at any regular or special meeting of the members of the corporation. Directors may receive reasonable compensation, in the form of a stipend or costs associated with Board duties, for their service as a member of the Board of Directors.

Section 6 Officers and Directors may be removed from office in the following manner. Any member, officer or director may present charges against a director or officer, by presenting the charge, in writing, to the Secretary of the corporation. If presented by a member, the charges must be accompanied by a petition signed by at least ten percent of the members of the corporation. Such removal shall be voted on at the next regular or special meeting of the members and shall be effective, if approved by a majority vote of the members present at such meeting. The director or officer against whom such charges have been presented shall be informed, in writing, of such charges no less than twenty (20) days prior to the meeting and shall have the opportunity, at such meeting, to be heard in person or by counsel and to present witnesses and the person, or persons, presenting such charges, shall have the same opportunity. If the removal of the director is approved, such action shall also vacate any other office held by the removed director, in the association. A vacancy in the board, thus created, shall immediately be filled by a vote of a majority of the members present and voting, at such meeting. A vacancy in any office, thus created, shall be filled by the directors from among their number, so constituted, after the vacancy in the board has been filled.

Article IX

Duties of Directors

Section 1 The Board of Directors, subject to restriction of law, the Articles of Incorporation, or these by-laws, shall exercise all of the powers of the corporation and without prejudice to or limitation upon their general powers. It is hereby provided that the Board of Directors shall have and are hereby given, full power and authority (to be exercised by resolution adopted by a majority vote of all the members) in respect to the matters and as hereinafter set forth:

- a. To pass upon qualifications of membership.
- b. To select and appoint all officers, agents or employees of the corporation, or remove such agents or employees of the corporation for just cause, prescribe such duties and designate such powers as may not be inconsistent with these by-laws, fix their compensation and pay for faithful service.
- c. To borrow from any source, money, goods or services and to make and issue notes and other negotiable and transferable instruments, mortgages, deeds of trust and trust agreements and to do every act and things necessary to effectuate the same.
- d. To prescribe, adopt and amend, from time to time such equitable uniform rules and regulations as, in their discretion, may be deemed essential or convenient for the conduct of the business and affairs of the corporation and the guidance and control of its officers and employees and to prescribe adequate penalties for the breach thereof.
- e. To order, at least once a year, an audit of the books and accounts of the corporation by a competent public auditor or accountant. The report prepared by such auditor shall be submitted to the members of the corporation at their annual meeting, together with a proposed budget for the ensuing year. Copies of such audits and budgets shall be submitted to such parties as may be required by other agreements.
- f. To fix the charges to be paid by each member for services rendered by the corporation to him, the time of payment and manner of collection. The Board may establish one or more classes of users. All charges shall be uniform and nondiscriminating within each class of users.
- g. To require all officers, agents and employees charged with responsibility for the custody of any of the funds of the corporation to have adequate bonds, the cost thereof to be paid by the corporation and it shall be mandatory upon the directors to so require.
- h. To direct one or more banks to act as depositories of the funds of the corporation and so determine the manner of receiving, depositing and disbursing those funds, the form of checks and the persons by whom the same shall be signed, with the power to change such banks and the persons signing such checks and the form thereof at will.
- i. To levy assessments against the membership of the corporation and to enforce the collection of any delinquent assessments by discontinuing service, provided that the corporation has given the member at least ten

days written notice to the address of the member on the books of the corporation of its intention to discontinue service if the assessment is not paid.

Article X

Duties of Officers

Section 1 President-The president shall preside over all meetings of the corporation, call special meetings of the Board of Directors, perform all acts and duties usually performed by an executive and presiding officer, sign all membership certificates and such other papers of the corporation as he may be authorized or directed to sign by the Board of Directors, provided the Board of Directors may authorize any person to sign any or all checks, contracts and other instruments in writing on behalf of the corporation. The president shall perform such other duties as may be prescribed by the Board of Directors.

Section 2 Vice-President - In the absence or disability of the president, the vice-president shall perform the duties of the president, provided, however, that in case of death, resignation or permanent disability of the president, the Board of Directors may declare the office vacant and elect his successor.

Section 3 Secretary/Treasurer - The secretary/treasurer shall keep a complete record of all meetings of the corporation and shall have general charge and supervision of the books and records of the corporation. He shall sign all membership certificates with the president and such other papers pertaining to the corporation as he may be authorized or directed to do so by the Board of Directors. He shall serve all notices required by law and by these by-laws and shall make a full report of all matters and business pertaining to his office to the members at the annual meeting. He shall keep the corporate seal and membership certificates, records of the corporation and affix said corporate seal to all papers requiring seal. He shall keep a proper membership certificate record, showing the name of each member of the corporation and date of issuance, surrender, cancellation or forfeiture. He shall make all reports required by law and shall perform such other duties as may be required of him by the corporation or the Board of Directors. Upon the election of his successor, the secretary/treasurer shall * turn over to him all books and other property belonging to the corporation that he may have in his possession. He shall also perform such duties, with respect to the finances of the corporation, as may be prescribed by the Board of Directors.

Article XI

Benefits and duties of Members

Section 1 The corporation shall install, maintain and operate a main distribution pipe line or lines from the source of the water supply and service lines from the main distribution pipe line or lines to the property line of each member of the corporation, at which point, designated as delivery points, meters to be purchased, installed, owned and maintained by the corporation shall be placed. The point of the service line or lines from the main distribution pipe line or lines of the corporation to the property line of each member, shall be paid by the

corporation. The corporation will also purchase and install a cut-off valve in each service line from its main distribution line or lines, such cut-off valve to be owned and maintained by the corporation and to be installed on same portion of the service line or lines owned by the corporation. The corporation shall have the sole and exclusive right to use such cut-off valve to turn it on and off, when deemed necessary.

Section 2 Each member will agree to the rules and regulations, with their amendments, as adopted, by the Board of Directors, from time to time and their use of the water will constitute an agreement to abide by same.

Section 3 No new service line or change in an existing service may be made which will interfere with an existing service line or the delivery of water therein. Each service shall connect with the corporation's water system at the nearest available place to the place of desired use by the member, if the corporation's water system shall be of sufficient capacity to permit the delivery of water through a service line at that place, without interfering with the delivery of water through a prior service line. If the corporation's water system shall be adequate enough to permit the delivery of water through a service line installed at such place without interfering with the delivery of water through a prior service line, then such service line shall be installed at such place as may be designated by the corporation. Each member will be required to dig, or have dug, a ditch for the connection of the service line or lines, from the property line of the member to his dwelling or other portion of his premises and will also be required to purchase and install the portion of the service line or lines from his property line to the place of use on his premises and to maintain such portion of such service line or lines which shall be owned by the member, at his own expense, provided that the corporation may, if the Board of Directors so determines, purchase the pipe for and which will, however, be paid by the individual members.

Section 4 Each member shall be entitled to purchase, from the corporation, pursuant to such agreements that may, from time to time, be provided and required, by the corporation, such water for domestic livestock and garden purposes a member may desire, subject, however, to the provisions of these by-laws and to such rules and regulations that may be prescribed by the Board of Directors. Each member shall be entitled to have delivered to him, through a single service line, only such water may be necessary to supply the needs of the person or persons residing in a single dwelling and of the livestock owned by such parcels and to irrigate a garden of not to exceed one acre. The water delivered through each service line shall be metered and the charges for such water shall be determined separately, irrespective of the number of service lines owned by a member.

Section 5 In the event the total water supply shall be insufficient to meet all the needs of the members or in the event there is a shortage of water, the corporation may prorate the water available among the various members on such basis as is deemed equitable by the Board of Directors and may also prescribe a schedule of hours covering use of water, for garden purposes, by particular members and requirements thereto or prohibit the use of water, for garden purposes, provided that at any time the total water supply shall be insufficient to meet all the needs of all the members for domestic, livestock and garden purposes. The corporation must first satisfy all the needs of all the members, for domestic purposes, before supplying

any water for livestock purposes and must satisfy all of the needs of all of the members, for both domestic and livestock purposes, before supplying any water for garden purposes.

Section 6 The Board of Directors shall, with the consent of the Rural Utilities Service, so long as it shall either hold any obligations or insure any financing of the system, during each fiscal year, determine the minimum monthlywater rate to be charged each member, during the following fiscal year, for a specified quantity of water, such flat minimum monthly rate to be payable, irrespective of whether any water is used by a member during any month, and the amount of additional charges, if any, for additional water which may be supplied the member, shall fix the date for the payment of such charges and shall notify each member of the amount of such charges and the dates for the payment thereof. A member to be entitled to the delivery of water shall pay such charges at the office of the corporation at or prior to the dates fixed by the Board of Directors.

Section 7 The Board of Directors shall be authorized to require each member that has their meter financed in with a new extension, to enter into water users agreements, which shall embody the principles set forth in the foregoing sections of this article and current rules and regulations.

Article XII

Income

It is not anticipated that there will be any net income. If there should be any, then at the end of the fiscal year, after paying all the expenses, of the corporation and otherwise and after setting aside reserves for depreciation on all fixed assets and such other reserves as the Board of Directors may deem proper and after providing for payments on interest and principal of obligations and amortized debts of the corporation and after providing for the purchase of proper supplies and equipment, the net earnings shall be accumulated in a surplus fund for the purpose of replacing, enlarging, extending and repairing the system and property of the corporation and for such other purposes as the Board of Directors may determine to be for the best interests of the corporation.

Article XIII

Amendments

These by-laws may be repealed or amended by a vote of a majority of the members present at any regular meeting of the corporation, or at any special meeting of the corporation called for the purpose, except that so long as any indebtedness is held by or guaranteed by the Rural Utilities Service, the members shall not have the powers, under the laws of the state, to waive any requirement of bond or other provision for the safety and security of the property and funds of the corporation or its members, or to deprive any member of rights and privileges then existing,

or so to amend the by-laws as to effect a fundamental change in the policies of the corporation without the prior approval of the Rural Utilities Service in writing. Notice of any amendment to be made, at a special meeting of the members, must be given at least ten days before such meeting and must set forth the amendments to be considered.

Article XIV

Rights and Interests of Members

Rights and interests of members will not be forfeited, upon withdrawal or termination of membership. Upon dissolution of the corporation, gains from the sale of any appreciated assets will be distributed to all persons who were members, during the period, in which, the assets were owned by the organization, in proportion to the amount of business done by such member during that period, in so far as practicable.

Amended and Restated July ____,2014