

PLEASANT WATER, INC.

By-Laws (Revision 5, June 8, 2024) to be dated and marked when approved by the members)

ARTICLE I - Name, Location, and Seal

Section 1: NAME. The name of the corporation shall be Pleasant Water, Inc.

Section 2: LOCATION. The principal office of the corporation shall be located at South Wellfleet, in the County of Barnstable and Commonwealth of Massachusetts.

Section 3: SEAL. The seal of the corporation shall be circular in form and bear the name of the corporation and the words "Commonwealth of Massachusetts" and the date "1985". The form of the seal may be changed by the Board of Directors at their pleasure.

ARTICLE II - Purposes

Section 1: To own and operate a well-water distribution system, the "Water System," to the Dwelling Units owned by members of the corporation. "Dwelling Unit" shall mean the structure(s) connected to the Water System by or through one water meter;

- (a) To conserve and protect and enhance the natural water resources from which the system wells draw water,
- (b) To do any and all things necessary and incidental to these purposes permissible under the laws the laws of the Commonwealth of Massachusetts; and
- (c) The corporation shall have and may exercise all powers necessary to effect any and all of the purposes set forth above for which the corporation is formed, provided that no such power shall be exercised in any manner inconsistent with Mass. G.L. c.1 80 or any other chapter of the General Laws of Massachusetts , and provided further, that the corporation shall not engage in any activity or exercise any power which would deprive it of any exemption from federal income tax or interfere with its potential status as a beneficiary under Section 501 (c) of the Internal Revenue Code, as amended.

ARTICLE III - Membership

Section 1: ELIGIBILITY FOR MEMBERSHIP. Eligibility for membership shall be restricted to those persons who own, or co-own, any property served by the Water System. A current list of members and the number of Dwelling Units owned by each hereto shall be maintained by the Officers of the Corporation.

Section 2: MEMBERSHIP CERTIFICATE. Each member shall be issued a Certificate of Membership signed by the President and the Clerk and sealed with the seal of the corporation on request.

Section 3: JOINT OWNERSHIP. If any Dwelling Unit is in the name of joint or multiple owners, such owners shall, by written notice to the Clerk of the corporation, designate which one of them is to be the member to act and/or vote for them.

Section 4: ELECTION OF MEMBERS. Membership in the corporation shall be comprised of those persons eligible who have paid the annual dues, if any, set on a yearly basis by the Board of Directors. The term "dues" shall mean the fee charged by the corporation for each Dwelling Unit, and dues shall be charged to each member based on the number of Dwelling Units owned by such member. One payment of dues for each Dwelling Unit shall be charged for each fiscal year, and, should any Dwelling Unit change ownership during any fiscal year of the corporation, no additional dues shall be payable as a result of said change of ownership.

Section 5(a): CLASSES AND VOTING. There shall be one class of membership. Each owner of a Dwelling Unit (or the person designated as the member by the joint or multiple owners provided in Article III, Section 3 above) shall have one vote for each dues-paying Dwelling Unit owned in all matters relating to this corporation. If a person owns two (2) Dwelling Units, for instance, that person would have two (2) votes

and count as two members for voting purposes.

Section 5(b): DISSOLUTION. In the event of the dissolution or winding up of the corporation, the assets of the corporation remaining after the payment of, or provision for, all liabilities, shall belong and be distributed equally to all those who are at that time members of the corporation.

Section 6: TRANSFER OF MEMBERSHIP. Membership in the corporation shall be transferable only in the event that a member sells or transfers by gift or will a Dwelling Unit served by the corporation; in which event, the grantee or transferee shall become a member in place of the grantor or transferor. Membership shall terminate whenever a member shall cease to be an owner of a Dwelling Unit served by the Water System.

Section 7: FEES AND DUES. Members shall be liable for annual dues in such amount as the Board of Directors shall determine, such dues to be payable on or before October 1 of the fiscal year for which they assessed. The Board of Directors shall fix the assessment against each Dwelling Unit in each year prior to the first day of the fiscal year and shall mail the assessment to each member on or before the first day of the fiscal year. Such assessment shall be fixed after determination of water use by reading the individual meters prior to June 1 and consideration of utility costs, reasonable maintenance costs, reasonable depreciation costs and reasonable replacement costs. In making such assessment, the Directors may depend upon the judgment of the well-water superintendent and other consultants. Members shall pay said assessment within thirty days of the due date of the assessment. Should a member fail to pay such assessment in thirty (30) days, a late charge in the amount of 1.5% per month shall be due and payable. In case of extraordinary expenses or costs, the Board of Directors may assess the members based on the number of Dwelling Units owned, an equal share of such expense or cost as a special assessment.

Section 8 (a): TERMINATION OF MEMBERSHIP. Any member who fails to pay the annual dues assessment or special assessment within sixty (60) days of the due date thereof may be suspended from membership and his or her entrance to the system may be disconnected as permitted by law. Such suspended member shall be reinstated as a member upon full payment of such dues assessment or special assessment paid within one hundred twenty (120) days of the due date of such assessment, together with the costs of disconnecting and reconnecting the service to his or her Dwelling Unit. If no payment is received within one hundred twenty (120) days from the due date for such assessment, the membership shall be permanently terminated. Any member who abuses the right granted to members to make use of the water system, whether by reason of malicious wastage, pollution or otherwise, after consideration and vote by the Board of Directors, shall be subject to such sanctions as the Board shall determine.

Section 8 (b): COMMERCIAL USE. In the event that any member makes commercial use in any way whatsoever of the connection to his or her Dwelling Unit, such member shall be terminated. Commercial use is defined as selling or disposing of the water within a Dwelling Unit to persons other than the occupants of such Dwelling Unit, or the use of the water supplied by the corporation for other than normal residential use.

Section 9: SUSPENSION, DISPUTES. A member, or any persons claiming privileges through him or her, may be suspended for cause from privileges of membership by vote of three-quarters of the Board of Directors, after such member has been given a statement in writing by registered mail of the charges against him or her at least one week prior to the meeting of the Board of Directors, at which time the charges will be considered and such meeting with respect to such charges. A member may bring any dispute relating to the member's participation in or service from the corporation to the Board of Directors, in writing, at least one week prior to the meeting of the Board of Directors, at which the Board shall consider and determine such dispute by majority vote of the Board of Directors. Further, any member that believes, in good faith, that he or she possesses a grievance involving the application of these By-Laws by the Board shall present that grievance, in writing, to the Board. The Board shall attempt to act upon or otherwise resolve the grievance in a reasonable period of time. Absent such resolution, the parties shall be left to their respective remedies.

Section 10: ANNUAL MEETING. Such annual meeting shall be a general meeting and open to the transaction of any business of the corporation. The date thereof shall be set by the Board of Directors.

Section 11: SPECIAL MEETINGS. Special meetings of the members may be called by the President or a majority of the Directors and shall be held at such place within the Commonwealth of Massachusetts as the President or Board of Directors may order.

Section 12: NOTICES OF MEETINGS. Notice of every annual meeting and of every special meeting of the members shall be given by mail to each member entitled to vote at such meetings, not less than ten nor more than forty days before the meeting. Such notice shall state the purpose or purposes for which the meeting is called and the time when and the place where it is to be held. If mailed, such notice shall be directed to each member entitled to notice at his address, as it appears on the books or records of the corporation. Notice of the time, place, or purposes of any meeting need not be given to any member who attends such meeting or to any member who in writing, executed and filed with the records of the corporation, either before or after the holding of such meeting, waives such notice. Each member shall have the obligation to provide and update his or her mailing address, telephone number and email address, if any, by notifying any of the Officers of the corporation.

Section 13: QUORUM. At any meeting of the members, the representatives present in person or those voting by proxy shall constitute a quorum for the purposes of transacting business at that meeting.

Section 14: VOTING. Any member may cast his vote in person or by proxy at any annual or special meeting of the members and there shall be one vote per Dwelling Unit.

ARTICLE IV - Board of Directors

Section 1: MANAGEMENT. The affairs and the property of the corporation shall be managed by the Board of Directors. The Directors shall act only as a Board and individual Directors shall have no power as such.

Section 2: ANNUAL MEETING. The annual meeting of the Board for the election of officers and the transaction of such other business as shall properly come before the meeting shall be held as soon as practicable following the annual meeting of the members. Such annual meetings of the Board shall be general meetings and open for the transaction of any business within the powers of the Board without special notice of such business except in any case where special notice is required by law or by these by-laws.

Section 3: SPECIAL MEETINGS. Special meetings of the Board may be called at any time by the President or by a majority of the Directors

Section 4: PLACE OF MEETINGS. All meetings of the Board shall be held within the Commonwealth of Massachusetts.

Section 5: TELEPHONE MEETINGS AND MAIL BALLOTS. By vote of a majority of the Board, telephone meetings may be held with all business conducted to be confirmed by mail ballot, subject to compliance with all notices requirements set forth herein.

Section 6: NOTICE OF MEETINGS. Notice of every annual meeting and every special meeting of the Board, including telephone meetings, shall be given in writing or by telephone to each Director not less than three nor more than fifteen days before the meeting. In the case of special meeting, such notice shall state the purpose or purposes for the meeting is called and the time when and the place where it is to be held. If mailed, such notice shall be directed to each member entitled to notice at his address as it appears on the books or records of the corporation. Notice of the time, place or purposes of any meeting need not be given to any Director who attends such or to any director who in writing, executed and filed with the records of the corporation, either before or after the holding of such meeting, waives such notice.

Section 7: QUORUM. Except as otherwise provided by law or by these by-laws, at all meetings of the Board, the presence of three Directors shall be necessary and sufficient to constitute a quorum.

Section 8: NUMBER OF DIRECTORS. The Directors as elected by the incorporators and named in the Articles of Organization shall be the Directors of the corporation until the first annual meeting of the members and until their successors shall have been duly elected and qualified, or until their earlier death, resignation, or removal in accordance with these by-laws. Beginning with the first annual meeting of the members the Board shall consist of not less than three nor more than eight Directors, as may be fixed from time to time by the members at any annual or special meeting thereof.

Section 9: OFFICERS. The Board of Directors, Treasurer and Clerk shall be chosen at the annual meeting. The President shall be chosen by the Board of Directors from amongst the Directors at a meeting of the Board to be held as soon as practicable after the adjournment of the annual meeting. The outgoing President shall be a member of the Board of Directors who may vote at the discretion of the Board if his or her term of office has run out.

Section 10: ELECTION OF DIRECTORS. The Directors shall be elected annually by the members at their annual meeting, or, if all of the Directors have resigned without appointment of successors, at any special meeting. Directors shall be elected by a plurality of votes cast. Each person elected a Director shall continue in office until his successor shall have been duly elected and qualified, or until his earlier death, resignation, or removal in accordance with these by-laws. Any vacancy or vacancies in the Board caused by death, resignation, or removal of any Director may be filled by a vote of two-thirds of the remaining Directors.

Section 11: POWERS OF THE BOARD OF DIRECTORS. The Board of Directors shall have the general management and control over all the properties and affairs of the corporation and shall have and may exercise all powers of the corporation. The Board of Directors shall have the power to direct Members to limit non-essential water usage in cases of excessive demand on the wells and distribution system or in case of drought with a severity of Level 3 or greater. Additionally, the Board shall have the power by a majority vote to propose amendments to said by-laws to the membership to be voted upon by the membership at a meeting called therefore under Article X or Article XI. The Board shall have general supervisory power overall of the officers and shall have such other powers and duties as are commonly exercised by a Board of Directors of a business corporation.

Section 12: COMMITTEES. The Board of Directors may appoint an Executive Committee, of such number, with such powers and operating under such rules of procedure as may determine, so far as permitted by law or these by-laws. All actions by the Executive Committee shall be reported to the Board at its next succeeding meeting. The Board shall appoint such other committees as membership, nominating, and as required. All committees shall be responsible to the Board of Directors and shall report to the Board of Directors.

ARTICLE V - Officers

Section 1: TITLE OF OFFICERS. The officers of the corporation shall be a President, a Treasurer, a Clerk and a Board of Directors of not less than three (3) nor more than seven (7) members as determined at each annual meeting. Officers of the corporation shall be members of the Board of Directors. Other officers shall be appointed by the Board of Directors and continue in office until a successor is appointed or until removed by the Board of Directors for cause. The compensation of such officers, if any, shall be fixed by the Board of Directors.

Section 2: PRESIDENT. The President shall be elected by ballot by and from the Board of Directors. He or she shall preside at all meetings of the Board and at all meetings of members at which he or she is present. He or she shall sign such documents as the Board of Directors may direct and perform such other duties and have such other powers as the Board of Directors may prescribe or as may be imposed by law.

Section 3: TREASURER. The Treasurer shall be elected by ballot by and from the Board of Directors. The Treasurer shall be a member of the corporation and shall be a member of the Board of Directors. Subject to the supervision and control of the Board, he or she shall have general charge and supervision of the financial affairs of the corporation with authority in the name of and on behalf of the corporation in the usual course of business, to receive and pay moneys, collect debts, borrow money, sign or endorse promissory notes, bills, checks, drafts, and to execute and affix the corporate seal to deeds, contracts, bonds, and agreements and such other documents. He or she shall keep regular books of account and make such reports to the Board as may be called for from time to time. He or she shall perform such other duties as may be delegated to him or her by the Board as may be imposed upon him or her by law. If the Board of Directors so require, he or she shall give bond for the faithful performance of his or her duties in such form, in such amount, and with such sureties as the Board of Directors may approve. Selected duties of the Treasurer may be delegated to a Certified Public Accountant.

Section 4: CLERK. The Clerk shall be elected by ballot and from the Board of Directors. The Clerk shall be a member of the Board of Directors. He or she shall attend all meetings of members and the Board of Directors and keep a record of all votes and business transacted thereat. Upon request of the President or Board, he or she shall give notices of meetings and he or she shall maintain records of the members and their addresses. He or she shall perform such other duties as the Board may require or as may be imposed upon him or her by law and shall be sworn to the faithful performance of his or her duties.

ARTICLE VI - Fiscal Year

The fiscal year of the corporation shall terminate on the 30th day of June each year.

ARTICLE VII - Contracts, Checks, and Notes

BANK DEPOSITS, ETC. The Board of Directors shall designate in what bank or banks the funds of the corporation shall be kept and which officer or officers shall sign checks, notes, contracts and other similar instruments, and no officer other than the person or persons so designated shall have the power to bind the corporation.

ARTICLE VIII - Definitions

The term "corporation," as used in these by-laws shall be deemed to refer to "Pleasant Water, Inc."

ARTICLE IX - Amendment of By-laws

These by-laws or any of them may be altered, amended, or repealed, or new by-laws may be adopted by an affirmative vote of a majority of the members of the corporation voting in person or by proxy.