

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO  
Tracy M. Potts  
Diepenbrock, Wulff, Plant & Hannegan  
300 Capitol Mall, Suite 1700  
P.O. Box 3034  
Sacramento, California 95812-3034

APR 13 1993  
ORIGINAL RECORDED ON  
DOCUMENT # 2474  
BOOK 597 PAGE 671  
OFFICE OF RECORDER  
COUNTY OF PLUMAS

BYLAWS  
OF  
WHITEHAWK RANCH MUTUAL WATER COMPANY

ARTICLE I

Office

Section 1. Principal Office. The principal office for the transaction of the business of the corporation is hereby fixed and located at the sales and administration office within the Whitehawk Ranch, as more particularly described in Schedule "A" hereto, in Clio, County of Plumas, California. The board of directors may change the principal office from one location to another within the lands described in Schedule "A".

Section 2. Other Offices. Branch and subordinate offices may be established by the board of directors at any place or places where the corporation is qualified to do business.

ARTICLE II

Meetings of Members

Section 1. Time and Place of Meetings. The regular annual meeting of members of the corporation shall be held at the Equestrian Center within the Whitehawk Ranch, Blairsden, County of Plumas, California, on the first Saturday in July of each year at 2:00 p.m. unless the board of directors shall fix some other time and place.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president, the board of directors, or by members representing ten percent (10%) of the outstanding memberships of the corporation. The time of holding such meetings shall be at least fifteen (15) days after the date of such call. If the call is made by the members, they must file it in writing with the secretary of the corporation, signed by the requisite number of members stating the purpose of the meeting, and the date and place it will be held. The purpose of the meeting shall be stated in the notice thereof, and no other business shall be transacted at such meeting, other than that specified in the call and notice. If the call is made by the president or the board of directors, the purpose of the meeting shall also be stated in the notice thereof, and no other business shall be transacted at the meeting other than that specified in the call and notice.

Section 3. Notice of Meetings. Notice of all members' meetings, both regular and special, shall be given by the secretary of the corporation by mailing a notice of such meeting to each member at his address as it appears on the books of the corporation not less than ten (10) or more than thirty-five (35) days before such meeting. The failure of any member to receive notice of an annual meeting or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

Section 4. Quorum and Proxies. Twenty-five percent (25%) of the outstanding memberships of the corporation, represented either in person or by proxy, shall be necessary for the transaction of business at all meetings of the members. At

such meetings representation by proxy duly appointed shall be allowed and such proxy shall be in writing and filed with the secretary of the corporation. If a quorum is not present, a majority of those members who are present may adjourn the meeting from time to time.

Section 5. Voting. Any member in good standing whose name appears on the books of the corporation as a member shall be entitled to be present and vote at all members' meetings, and shall have one vote for each membership which the member owns. If a membership stands of record in the names of two (2) or more persons, if only one such person votes, such act binds all; if more than one such person votes, the act of the majority so voting binds all. Voting may be by voice or by ballot; provided, that all elections for directors must be by ballot upon the demand of any member made before the voting begins. The candidates receiving the highest number of votes shall be elected. All other questions shall be decided by a majority of the votes cast, unless otherwise provided by these Bylaws or the articles of incorporation.

Section 6. Consent by Members Without Meeting. Any action which may be taken at a meeting of the members may be taken without a meeting if the corporation distributes a written ballot to every member entitled to vote on the matter. Such ballot shall set forth the proposed action, shall provide an opportunity to specify approval or disapproval of any proposal, and shall provide a reasonable time within which to return the ballot to the corporation. The approval of the members by written ballot pursuant to this Section 6 shall be valid when the number of votes cast by ballot within the time period specified equals or exceeds

the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the total number of votes cast by ballot. A written ballot may not be revoked once it is returned to the secretary of the corporation.

Section 7. Cumulative Voting Not Permitted. Cumulative voting shall not be permitted in the election of directors.

Section 8. Good Standing. Those members who have paid the required assessments and charges in accordance with these Bylaws and who are not suspended shall be members in good standing.

### ARTICLE III

#### Directors

Section 1. Powers. Subject to any limitations of the articles of incorporation, the Bylaws of the corporation and the laws of the State of California, the board of directors shall manage and control the business and affairs of the corporation, and shall have all corporate powers necessary therefore. The powers of the board of directors shall include (a) the right to fix, determine, levy and collect water rates and charges, and assessments upon all memberships as provided in Section 3 of Article V of these Bylaws; (b) to declare forfeit and sell memberships of the corporation for nonpayment of assessments, in such manner as the board of directors may determine by resolution; and (c) to issue and enforce rules and regulations for the delivery and use of water. This corporation is organized as a nonprofit mutual benefit corporation, and this corporation shall not distribute any gains, profits or dividends to its members except

upon the dissolution of the corporation. Upon dissolution, the corporation shall distribute all of the remaining corporate assets in the manner provided for in Sections 8715 to 8717, inclusive, of the California Corporations Code or any successor statutes thereto, after determining that all of the known debts and liabilities of the corporation have been paid or adequately provided for during the process of winding up and dissolving the corporation. The remaining corporate assets shall be distributed to the members in accordance with their respective rights.

Section 2. Term of Office. The directors shall be elected at each annual meeting of the members, but if any such annual meeting is not held or the directors are not elected at such meeting, the directors shall hold office until their respective successors are elected. Directors may be elected at any special meeting of the members held for that purpose.

Section 3. Vacancies. Vacancies on the board of directors may be filled by a majority of the remaining directors, although less than a quorum, or by a sole remaining director.

Section 4. Place of Meetings. Regular meetings of the board of directors shall be held at the principal office of the corporation. The board of directors is authorized to designate, from time to time, a place or places other than specified above as the place for regular meetings of the board of directors. The board of directors is further authorized to hold its meetings at any place designated by the written consent of all members of the board of directors. Members of the board of directors may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members

participating in the meeting can hear one another. Participation in a meeting in this fashion constitutes presence in person at the meeting.

Section 5. Time of Regular Meeting. Regular meetings shall be held once a year immediately after the annual meeting of members. Notice of such meetings is hereby dispensed with.

Section 6. Special Meetings. Special meetings of the board of directors may be called by either the president or by a majority of the members of the board of directors then serving. Such call shall be in writing and executed by the president or the required number of directors, shall state the purpose of the meeting, the time at which it shall be held (which shall be at least twenty-four (24) hours after the date of such call) and shall be filed with the secretary, who shall give notice of the meeting by telephone, mail or otherwise at least twenty-four (24) hours before the time of holding the meeting. Any written notice shall state the purpose of the meeting, and no other business shall be transacted other than the business stated in the call. With consent of all directors, a meeting may be held at any time without notice, and any business may be conducted thereat. Special meetings of the board of directors may be held either at a place designated in the call or at the principal office.

Section 7. Quorum. A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the board of directors.

Section 8. Action by Consent of Board Without Meeting. Any action required or permitted to be taken by the board of directors may be taken without a meeting, if all members of the



board of directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the board of directors. Such action by written consent shall have the same force and effect as a unanimous vote of such directors.

Section 9. Compensation. Directors shall receive no compensation but may receive for attendance at any meeting such per diem and travel expenses as may be fixed by resolution of the board of directors.

#### ARTICLE IV

##### Officers

Section 1. Officers. The officers of the corporation shall be a president, a vice president, a secretary and a treasurer, and such other officers as may be appointed by the board of directors. Any two or more offices, except those of president and secretary, may be held by the same person.

Section 2. Selection. The officers shall be chosen by the board of directors. Officers shall serve at the pleasure of the board of directors, subject to the rights (if any) of an officer under any contract of employment. Any officer may resign at any time upon written notice to the corporation without prejudice to the rights (if any) of the corporation under any contract to which the officer is a party.

Section 3. Compensation. The compensation of the officers shall be fixed by the board of directors. Salaries paid to persons operating or employed by this corporation shall be limited to reasonable salaries for the services provided.

Section 4. President. The president shall be the chief executive officer of the corporation and shall, subject to the direction of the board of directors, have general supervision and control of the business and affairs of the corporation. The president shall preside at all meetings of the members and of the board of directors. The president shall be ex-officio a member of any committee of the board of directors. The president shall have the general powers and duties of management usually vested in the office of president of a corporation, and the president shall have such other powers and duties as may be prescribed by the board of directors or these Bylaws.

Section 5. Vice President. The vice president shall, in the absence or disability of the president, perform the duties and exercise the powers of the president. The vice president shall perform such other duties as the board of directors shall prescribe.

Section 6. Secretary. The secretary shall keep, or cause to be kept, a book of minutes at the principal office, or such other place as the board of directors may order, of all meetings of directors and members, describing the time and place of the meeting, whether the meeting was regular or special (and if special, how the meeting was authorized and the notice thereof given), the names of those present at directors' meetings, the number of members present or represented at members' meetings, and the proceedings thereof.

The secretary shall give, or cause to be given, notice of all meetings of the members of the board of directors as required by these Bylaws or by law to be given. The secretary shall keep



the seal of this corporation and shall affix the seal to all documents requiring a seal. The secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors.

Section 7. Treasurer. The treasurer is the chief financial officer of the corporation. Where appropriate, the treasurer may be designated by the alternate title "chief financial officer." The treasurer is responsible for the receipt, maintenance and disbursement of all funds of the corporation and for the safekeeping of all securities of the corporation. The treasurer shall keep or cause to be kept books and records of account and records of all properties of the corporation. The treasurer shall prepare or cause to be prepared annually, or more often if so directed by the board of directors or president, financial statements of the corporation. The board of directors may by resolution authorize one or more assistant treasurers to perform some or all of the duties of the treasurer under the direction of the treasurer.

Section 8. Indemnification of Directors, Officers and Employees.

(a) The corporation may indemnify a director, officer or employee under the provisions of Section 7237 of the California Corporations Code, or pursuant to any contract entered into with any employee who is not an officer or director.

(b) Expenses incurred in defending any proceeding may be advanced by the corporation as authorized by Section 7237 of the Corporations Code prior to the final disposition of such proceeding, upon receipt of any undertaking by or on behalf of the

director, officer or employee to repay such amount unless it shall be determined ultimately that the director, officer or employee is entitled to be indemnified.

(c) The corporation may purchase and maintain insurance on behalf of any director, officer or employee of the corporation against any liability asserted against or incurred by the director, officer or employee in such capacity or arising out of the director's, officer's or employee's status as such, whether or not the corporation would have the power to indemnify the director, officer or employee against such liability under the provisions of Section 7237 of the Corporations Code.

#### ARTICLE V

##### Delivery of Services

Section 1. Purpose. This corporation is organized and shall be operated (i) to provide sewage collection, treatment and disposal services, and (ii) to acquire, develop, distribute, supply and deliver water for domestic and irrigation purposes to its members within the meaning and intent of Sections 330.24 to 331, inclusive, of the California Civil Code. Water and sewage services shall be supplied to all members of this corporation who own lots or parcels of real estate within the Service Area. The Service Area of this corporation is that real property described in Schedule "A" attached hereto.

Section 2. Limitation on Water Supply. There shall be no guaranteed quantity of water which will be delivered to a member. In the event the corporation should not have sufficient water to meet all demands of members, the water available shall be delivered proportionately among the members. The Whitehawk Ranch

Golf Course and Equestrian Center shall separately contract with the corporation to obtain water for irrigation purposes for operations of the golf course and the equestrian center.

Section 3. Assessments and Charges. For the purpose of raising funds necessary for operation of the corporation, including the acquisition of water or water rights or for the payment of any other costs, the board of directors may from time to time impose assessments and charges as follows:

(a) The board of directors shall fix, determine and levy and collect such (i) sewage services rates or charges and (ii) water rates or charges based upon deliveries of water, standby charges based upon the availability of water, service charges and/or such assessments upon such memberships as may be necessary for the purpose of paying the debts and expenses of the corporation.

(b) The board of directors shall designate the date by which the assessment or charge shall be paid, which date shall be not less than thirty (30) days after the notice of assessment or charge has been mailed to the member.

(c) The board of directors shall established structure which will result in the accumulation and maintenance of a fund for the repair and replacement of the water supply, distribution and fire protection system of the corporation (the "Repair and Replacement Fund"). The rate charges shall bear a reasonable relationship to the cost of furnishing services. Unimproved lots within the Service Area must bear a proportionate membership of the cost of the Repair and Replacement Fund.

(d) All assessments and service charges shall be a lien upon the lands on which the assessments or service charges are made from the time such assessments or service charges become due and payable. If such assessments or service charges become delinquent, such lien may be enforced by the board of directors in the manner provided for in Article VI of the articles of incorporation. If any legal action or other proceeding is brought for the enforcement of the corporation's lien rights, the successful or prevailing party or parties shall be entitled to recover its reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

Section 4. Use of Water. This corporation shall provide water to all members in good standing. A member or the member's lessee shall only use water delivered by the corporation for beneficial purposes on the lands within the Service Area to which the member's membership is appurtenant.

Notwithstanding the foregoing, this corporation may sell water to the State of California or to any department or agency thereof, or to any school district, public agency, or to any other mutual water company. This corporation may also sell water during any emergency resulting from fire or other disaster involving the public health or safety to any person at the same rates as to members of this corporation. Furthermore, this corporation may enter into a contract with a county fire protection district to furnish water to fire hydrants and for fire suppression or fire prevention purposes at a flat rate per hydrant or other connection. If any real property within the Service Area is owned or acquired

by the State of California or any department or agency thereof, or any school district or public agency, the membership appurtenant to such real property shall be cancelled by the secretary of the corporation, but this membership shall subsequently be reissued to the person later acquiring such real property from the State of California or any department or agency thereof, or any school district or public agency.

Section 5. Rules and Regulations. The board of directors shall make such rules and regulations not inconsistent with law as it deems advisable for the use of water and the management of the business and affairs of the corporation, including a provision for equitable apportionment of water in the event of a water shortage.

Section 6. Memberships Per Acre or Lot. Memberships shall be apportioned on the basis of one (1) membership per subdivided residential lot entitled to receive water. The issuance of fractional memberships is expressly prohibited. The proposed golf course shall be issued one (1) membership; and the existing Equestrian Center shall be issued one (1) membership.

The latter phases of development of the Whitehawk Ranch subdivision contemplate planned unit developments such as townhouses, and other units that may or may not have common walls. It is contemplated that memberships shall be apportioned on the basis of one (1) membership to each individual residential unit.

The corporation anticipates that some real property within the Service Area will be improved by commercial development and development as defined in sections 11000, 11000.1, 11000.5 and 11004.3 of the California Business and Professions Code.

Memberships will only be sold or issued to purchasers of these lots or units, or to the successors in interest of purchasers, and such memberships will not be sold or issued to the subdivider as such or to any successor in interest as a subdivider.

## ARTICLE VI

### Memberships

Section 1. Memberships Appurtenant to Land. Memberships in the corporation shall be appurtenant to the lots or parcels of real property in the Service Area as specifically described in the respective membership certificate delivered to the member. A membership shall only be transferable upon the conveyance of the real property for which the membership certificate is issued, except as to a sale or forfeiture of a membership for delinquent assessments thereon as permitted under Section 331 of the California Civil Code. Conveyance of the real property and compliance with the procedures set forth in Section 4 below shall effect the transfer of the membership certificate appurtenant to that real property.

Section 2. Membership Certificates. Membership certificates of the corporation shall be in such forms as the board of directors shall designate and shall be issued over the signature of the president and secretary. A certificate book shall be maintained which shall contain a margin on which shall be shown the number, date and name of the member, as set forth in the corresponding certificate.

Section 3. Legend Provisions. Each membership certificate shall contain text identifying the real property to which the



membership is appurtenant. This text shall read substantially as follows:

"To be transferred on the books of the corporation by endorsement hereon and surrender of this certificate, upon purchase by a transferee of the land covered by this certificate. The land covered by this certificate is described as follows: [description]."

The face of each membership certificate shall contain text describing the corporation's remedies for delinquent assessments and water charges. This text shall read substantially as follows:

"All assessments and charges for water and assessments for maintenance and operation shall be a lien upon the lands for which the assessments and charges are made. If such assessments and charges become delinquent, such lien may be enforced by any one or more of the following:

(a) In the manner provided by law for the foreclosure of mortgages of real property; or

(b) By sale and transfer of the membership without said lands, in the manner provided for in Section 331 of the California Civil Code; or

(c) By judicial action against the member who is delinquent in payment of such assessments or water charges.

The corporation shall further be entitled to recover the fees and expenses of its attorneys which were incurred to enforce the lien."

Section 4. Transfer. No membership shall be transferred until all assessments, water charges or other indebtedness of the transferring member to the corporation have been paid in full. No transfer of a membership shall be binding upon the corporation unless and until the transfer is duly entered

upon its books. The party requesting transfer of a membership shall present the corporation with an endorsed certificate conveying the membership to the buyer of the land described in the certificate, together with a copy of the duly recorded deed, or a written statement from a reputable title company, showing that the buyer is the owner of the real property to which the membership is appurtenant. The board of directors may determine such additional terms and conditions of transfer from time to time as it deems necessary to ensure the proper transfer of a membership and surrender of the water rights accruing therefrom.

Section 5. Original Price of Memberships. Each person to whom this corporation originally sells and issues a membership shall pay the sum of Two Thousand Dollars (\$2,000.00) as the purchase price therefor. Upon the transfer of a membership thereafter, the corporation shall be paid its reasonable and actual costs in processing the transfer, including the fees and expenses of counsel to the corporation in connection with the transfer.

## ARTICLE VII

### Miscellaneous

Section 1. Corporate Records. The corporation shall maintain adequate and correct books, accounts and records of its business and properties, all of which shall be kept at its principal place of business, and shall be open to the inspection of members in the manner provided by law.

Section 2. Annual Report. The corporation shall prepare and distribute to members an annual report in writing covering the activities of the corporation for the prior calendar year, and together with a statement of income and profit and loss

for such year. The annual report shall be distributed to members within 105 days of the close of the fiscal year. The annual report shall be accompanied by any report thereon of the corporation's accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that the annual report was prepared without audit from the books and records of the corporation.

Section 3. Report of Transactions and Indemnifications.

The corporation shall mail to all members a statement of any transaction between the corporation and one of its officers or directors or of any indemnification paid to any officer or director if, and to the extent, required by Section 8322 of the Corporations Code. The statement may be included in the annual report mailed to members. The statement shall be mailed to the members within 105 days after the close of the fiscal year.

Section 4. Amendment to Bylaws. These Bylaws may be amended or repealed, or new Bylaws may be adopted, by the vote or written consent of members entitled to exercise a majority of the voting power of the corporation. With the exception of any action which would (i) materially and adversely affect the rights of members as to voting, dissolution, redemption of memberships, or transfer of memberships, (ii) increase or decrease the manner in which the ultimate number of members is determined, (iii) effect a reclassification or cancellation of all or part of the memberships, or (iv) authorize a new class of memberships, the board of directors may amend or repeal any of these Bylaws or may adopt new Bylaws, by a majority vote of its members. Whenever an amendment or new Bylaw is adopted, it shall be copied or filed in the book of

original Bylaws in the appropriate place. If any Bylaw is repealed, the fact of its repeal shall be so stated in the Bylaws on file. In recording any amendment, adoption of new Bylaws, or repeal of any Bylaw, the date of the meeting at which such action was enacted or written assent was filed shall be stated.

\* \* \* \* \*

I, Hugh A. White, the duly elected, qualified and acting secretary of the Whitehawk Ranch Mutual Water Company, a corporation, hereby certify that the foregoing is a full, true and correct copy of the amended and restated Bylaws of the corporation, as adopted by the initial directors of the corporation on March 10, 1993. These amended and restated Bylaws were approved and adopted by the unanimous written consent of all of the directors of the corporation without a meeting on March 30, 1993, such procedures being authorized by the Bylaws of the corporation and the laws of the State of California.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the corporation on March 31, 1993.

  
\_\_\_\_\_  
Hugh A. White, Secretary

TMP30004





RECORDED AT REQUEST OF  
FIDELITY NATIONAL TITLE CO.

at 30 min. past 8 M.

04625

JUN 24 1999

PLUMAS COUNTY, CALIFORNIA

JUDITH WELLS

Fee \$ 700

Recorder

When Recorded Mail Document To:

Whitehawk Ranch Mutual Water Company  
Attention: Board of Directors  
P.O. Box 147  
Rio, CA 96106

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

## AMENDMENT TO BYLAWS

In its meeting of December 16, 1998, the Board of Directors of the Whitehawk Ranch Mutual Water Company made particular changes to Article V, Section 3, ¶ (b) of the Whitehawk Ranch Mutual Water Company's Bylaws dated March 31, 1993, and recorded in Book 597, Page 671 on April 13, 1993, with the Plumas County Recorder's Office. Pursuant to the approval of the Bylaw changes, the language in Article V, Section 3, ¶(b) now reads as follows:

"The board of directors shall designate the date by which the assessment or late fee shall be paid. Assessments shall be due the 25<sup>th</sup> of each month, and late fees will be charged 30 days following said due date. Late statements will be mailed on the 45<sup>th</sup> day following the due date. The late fee is \$10.00, with delinquent charges accruing interest from the date of the delinquency at 12% per annum. Non-payment of water and/or sewer bills for two (2) consecutive billing periods shall be cause for removal of the water meter. No water meter will be re-installed until all outstanding bills, fees and/or charges are brought current. Re-installation of a water meter shall require pre-payment of \$150.00.

At its Annual Meeting held on 8-9-1997, the membership of the Whitehawk Ranch Mutual Water Company voted in favor of amending the Bylaws, in accordance with Article VII, Section 4, to allow for a five, rather than a three person Board.

DATED: June 16, 1999

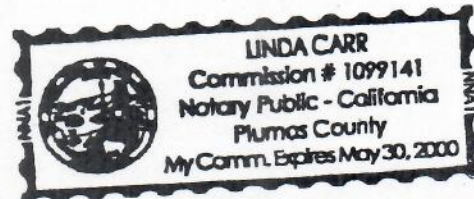
*Kenneth H. Criswell*  
President, Whitehawk Ranch Mutual Water Co.

STATE OF CALIFORNIA

COUNTY OF Plumas  
ON June 24, 1999 before me,

*Linda Carr*  
personally appeared Kenneth H. Criswell  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

Signature Linda Carr



RECORDING REQUESTED BY:

When Recorded Mail Document To:

Whitehawk Ranch Mutual Water Company  
Attention: Board of Directors  
P.O. Box 147  
Clio, CA 96106

*Conform* COPY of Document Recorded  
10-Jun-2003 2003-0006264  
Has not been compared with  
original  
Plumas COUNTY RECORDER

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AMENDMENT #2 TO BYLAWS

1. In its meeting of **April 14, 2003**, the Board of Directors of the Whitehawk Ranch Mutual Water Company made particular changes to Article V, Section 3, ¶ (b) of the Whitehawk Ranch Mutual Water Company's Bylaws dated March 31, 1993, and recorded in Book 597, Page 671 on April 13, 1993, with the Plumas County Recorder's Office, and amended by an Amendment to Bylaws dated June 16, 1999, and recorded in Book 779, Page 291 on June 24, 1999, with the Plumas County Recorder's Office. Pursuant to the approval of the Bylaw changes, the language in Article V, Section 3, ¶(b) now reads as follows:

"The board of directors shall designate the date by which the assessment or late fee shall be paid. All assessments (coupon booklets) will be mailed to Stockholders in December. Coupon booklets will contain 12 assessment coupons. Monthly assessments are due on the 15<sup>th</sup> day of every month. Assessments may be paid early. Any assessment is delinquent if payment in full is not postmarked by the 20<sup>th</sup> day of the month in which it was due, i.e., January payment is due January 15<sup>th</sup> and is delinquent if postmarked after January 20<sup>th</sup>. Each delinquent monthly assessment will be charged a late fee in the amount of \$10.00. Delinquent assessments shall also accrue interest from the date the assessment is delinquent at a rate of 12% per annum. Non-payment of water and/or sewer bills for two (2) consecutive billing periods shall be cause for removal of the water meter. No water meter will be re-installed until all outstanding bills, fees and/or charges are brought current. Re-installation of a water meter shall require pre-payment of \$150.00.

DATED: 5/12/03

STATE OF CALIFORNIA

COUNTY OF Plumas

ON 5/12/03 before me,  
Carol E. Yeater, notary public  
personally appeared Earl H. Zeigler  
personally known to me (or proved to me on the basis of  
satisfactory evidence) to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me  
that he/she/they executed the same in his/her/their authorized  
capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the  
person(s) acted, executed the instrument.

Witness my hand and official seal.

Carol E. Yeater  
Signature

Earl H. Zeigler  
President, Whitehawk Ranch Mutual Water Co.

