

AMENDMENT TO BYLAWS  
OF SOUTHWESTERN BARTHOLOMEW WATER CORPORATION

Article III, revision to Section 3:

Section 3. NOMINATION OF DIRECTORS

Not less than sixty (60) days nor more than ninety (90) days before each annual meeting of the members of the corporation, the Board of Directors of the corporation shall name a committee of at least three (3) but not more than seven (7) members of the corporation to act as the Nominating Committee to select members to stand for election for the office of Director of the Corporation. The Nominating Committee shall meet and select members who meet the qualifications set out in the Bylaws of the Corporation to be voted upon for the office of Director of the Corporation at the next annual meeting and shall report its nominations to the Board of Directors of the Corporation not less than forty-five (45) days prior to such next annual meeting of the members. The Nominating Committee will nominate any current Board member who is up for re-election unless the Board member indicates to the Chairman of the Nominating Committee in writing that said Board member does not seek re-election to the Board. Such nominating report shall be signed by the Chairman of the Nominating Committee.

A majority vote of the Nominating Committee shall be required to nominate a candidate, and no member of the nominating committee shall be eligible to be nominated as a candidate for director.

A candidate must be a Member of the Corporation pursuant to the provisions of Article II, Section 1 of the Bylaws, and all other provisions of Article III of said Bylaws.

Any thirty (30) or more members may sign a petition seeking the nomination of a Director and said petition shall be signed and filed with the secretary of the Board of Directors not more than one hundred twenty (120) days before the date of the meeting of the members in which the said Director shall be elected and not less than thirty-three (33) days prior to said meeting. The secretary shall forthwith post the list of nominations by petition at the principal office of the Corporation at least twenty-eight (28) days before the annual meeting.

At the time the secretary shall post the list of nominations for Director prior to the annual meeting of the membership, any proposed member seeking the office of Director of the Corporation shall also tender to the secretary of the Board of Directors of the Corporation a valid membership certificate issued by the Board of Directors of the Corporation pursuant to Article II, Section 1. The failure of any Member nominated for the office of Director of the Corporation to tender such valid membership certificate to the secretary shall void the nomination of said Member.

The members present at any meeting of the members shall constitute a quorum at any meeting for the transaction of business. No member shall be entitled to more than one vote and no voting by proxy shall be allowed.

ARTICLE V, add as Section 2:

Section 2. The Board of Directors may not authorize or approve the sale, lease, or merger of the assets of Southwestern Bartholomew Water Corporation; the plant and works of Southwestern Bartholomew Water Corporation; or the real estate owned by Southwestern Bartholomew Water Corporation, without first seeking the approval of the members of Southwestern Bartholomew Water Corporation, in an advertised meeting in which at least thirty (30) days' notice must be given in writing to each member at the address reflected on the membership certificate of said member. The notice to members shall include the date, time, place, and agenda for the meeting. The notice shall also provide a description of the proposed transaction (i.e., sale, lease, merger, encumbrance, or transfer of utility assets to a third party).

At the special meeting of said members, such petitions to sell, lease, encumber or merge the assets and works of Southwestern Bartholomew Water Corporation must be approved by three-fourths (3/4) of the total membership of record on the date of the special meeting.