

ORIGINAL



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RECEIVED

2009 DEC -7 P 1:25

AZ CORP COMMISSION
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

KRISTIN K. MAYES, Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

IN THE MATTER OF THE APPLICATION
OF CUP OF GOLD WATER COMPANY, INC.
FOR APPROVAL OF AN ADJUDICATION AS
NOT A PUBLIC SERVICE CORPORATION.

DOCKET NO. W-20637A-08-0560

**NOTICE OF FILING THIRD
SUPPLEMENT TO APPLICATION**

Cup of Gold Water Company, Inc. ("Company") hereby files a
supplement to its application, consisting of the documents attached
hereto, all as requested by the Commission, and containing the
following: 1) the Declaration of Restrictions (CC&R's); 2) the cover
letter for the Petition; and 3) the "Amendment to and the Entire
Restatement of the By-Laws."

RESPECTFULLY SUBMITTED this 7th day of December, 2009.

Arizona Corporation Commission

DOCKETED

DEC -7 2009

DOCKETED BY

BILL STEPHENS, P.C.

By Bill Stephens
Bill Stephens *Att*
4647 N. 32nd Street
Suite 285
Phoenix, Arizona 85018-3345
Attorney for Applicant

ORIGINAL and thirteen (13) copies
of the foregoing filed this 7th
day of December, 2009:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85008

COPIES of the foregoing hand-
delivered this 7th day of
December, 2009, to

Ayesha Vohra, Staff Attorney
Legal Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

Kiana Sears
Utilities Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

By Stephanie Way

STATE OF ARIZONA, County of Yavapai, 16409
 do hereby certify that the within instrument was filed and recorded at the request of *ad. to Morgan*
 on *July 7* A.D. 1970 of *7:25* *2 M. Book 607* Official Record
 Page *577-578-579* Records of Yavapai County, Arizona.
 WITNESS my hand and official seal the day and year first above written.
 INDEXED
 MICHAEL R. MARQUET, County Recorder
Paul G. Galt

DECLARATION OF RESTRICTIONS ON LOTS IN
 ALL OF THE CUP OF GOLD ESTATES,
 THE SOUTH CUP OF GOLD ESTATES,
 AND
 THE EAST CUP OF GOLD ESTATES.

KNOW ALL MEN BY THESE PRESENTS: That the Cup of Gold Water Co., Inc., an Arizona corporation, whose members are solely and entirely the owners of the lots in the Cup of Gold Estates, the South Cup of Gold Estates, and the East Cup of Gold Estates subdivisions, being the owner of the following described premises situated within the County of Yavapai, State of Arizona, to-wit:

Lot X of the Cup of Gold Estates Subdivision, as shown on the plat thereof as recorded in the records of Yavapai County, Arizona, being in and a part of the W-1/2 of Section 33, T 17 N, R 5 E, GASHKEM, Yavapai Co., Arizona,

and desiring to establish the nature of the use and enjoyment of all the lots of the Cup of Gold Estates, The South Cup of Gold Estates, and the East Cup of Gold Estates subdivisions, all situated within the W-1/2 of Section 33, T 17 N, R 5 E, GASHKEM, and being empowered to do so by virtue of the provisions contained in the original restrictions on these subdivisions and the articles of incorporation and the by-laws of the Cup of Gold Water Co., Inc., having acted at a special meeting held for the purpose on May 26, 1970, does hereby declare and impose upon all lots and tracts in said subdivisions and upon the owners thereof the following covenants, restrictions and obligations:

- 1) The property must be kept clear of trash and debris. No trash, garbage or refuse may be burned on the premises nor dumped on the premises or in any ditch or water course within or adjoining the premises and all garbage and trash containers shall be kept inside a building or underground, or hidden from public view. Coal or coke shall not be used as fuel or otherwise burned on the premises. Any lily ponds or other outside pools of water allowed to exist on the premises must be kept free of mosquitoes and larvae. Any clothes lines existing on the premises must be so placed as to be concealed from view from lots or other public ways and from adjoining lots.
2. No more than one residence and studio and one guest house may be erected on any one lot. No lot or tract shall be subdivided into smaller parcels.
3. Plans of all proposed improvements on said property, including landscaping, must be submitted to and approved by the Cup of Gold Water Co., Inc., before any such improvements are commenced. In connection with any new construction of either a residence, guest house or other building on any of said lots, the overall design, type and style of construction shall be approved by the Cup of Gold Water Co., Inc., and all such new construction and repairs to and future repairs to or remodeling of any building on said premises shall be of such type, style and colors as will fit in and blend with the landscape and other construction in the subdivisions. No white, silver or metallic roofs or awnings shall be erected or maintained on the premises. All structures on said lots shall be of new construction and no building shall be moved from any other location onto any of said lots, nor shall any tent or house trailer be allowed upon any of said lots for use as a residence. Small travel or camping trailers shall be kept inside a suitable structure. The exterior of all dwellings and other structures upon which construction has started shall be completed promptly.
4. All fencing shall be of rails, stained wood, or rock, and the design thereof shall be submitted to and approved by the Cup of Gold Water Co., Inc., before construction thereof.
5. No dwelling shall be erected which contains less than 1,500 square

BOOK 607 PAGE 577

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feet of floor area, exclusive of such part of a building, either attached or not, as is used for a garage and also exclusive of porches and/or patios. The Cup of Gold Water Co., Inc., may approve dwellings of no less than 1,000 square feet which, in its judgment, command themselves by the attractiveness of their architectural design, and meet with all other requirements of these restrictions.

6. No building or any portion thereof shall be situated within twenty (20) feet of any property line.

7. No farming may be carried on on any of said lots and no livestock or poultry shall be kept thereon; provided, however, that the owner of any lot may keep household pets and saddle horses for his own use on his lot so long as he shall maintain them under sanitary conditions and restrain them from trespassing on other lots.

8. Said property shall not be used for any business or commercial purposes, except that fine arts studios may be contained and maintained in homes. No signs shall be permitted on said premises except such as are for the identification of homes and owners and any such signs must be approved by the Cup of Gold Water Co., Inc. Said property shall not be used for camping.

9. All exterior electrical wiring, telephone wiring, and television cable, with the exception of main trunk lines, shall be underground. Television antennas and other such tall visible structures shall be subject to the approval of the Cup of Gold Water Co., Inc., before installation.

10. The owner of each lot shall receive and shall accept, for each lot, one or more membership shares in the Cup of Gold Water Co., Inc., a non-profit corporation, as designated in the by-laws thereof, which shares shall attach to and run with the land, and each such owner and the land owned by him shall be subject to all the obligations contained in the Articles of Incorporation, By-Laws, regulations, and all lawful acts of the central water supply or system for the furnishing of water to said lots. The owner of each lot shall be responsible, at his own expense, for the installation and maintenance of the pipeline or lines serving such lot, which installation must be approved by the Cup of Gold Water Co., Inc., and a meter of a type approved by the Cup of Gold Water Co., Inc., to accurately measure and record in U.S. gallons the amount of water used.

11. The foregoing covenants, restrictions and obligations run with the land and shall be binding on all owners of said lots and all persons claiming under them until February 15, 1980, at which time they shall be automatically extended for successive periods of ten years, each, unless by a majority of the then owners of the lots it is agreed to change them in whole or in part.

12. Variances from any of these restrictions may be approved by the Cup of Gold Water Co., Inc., upon application thereto, providing that such variances are for good reason and are not to the detriment of the general good of the subdivisions.

13. If there should be a violation or threatened or attempted violation of any of these said restrictions, or if the granting or refusal of a variance under paragraph 12 above should cause a grievance, the person or persons so grieved or any other person or persons owning any of said lots in these subdivisions shall present the grievance or complaint to a board, commission, or committee appointed for the purpose by the Cup of Gold Water Co., Inc. The said board, commission or committee shall hold a hearing to determine the merit of the said grievance or complaint, and shall hear the arguments of all parties concerned thereat, after which it shall issue a decision and any restraining, enjoining, or other orders necessary to enforce the decision which shall be binding upon all parties concerned. Should an appeal from any said decision be desired, it shall be lawful for any person or persons owning any of said lots in these subdivisions to prosecute any proceeding at law or in equity against the person or persons violating or attempting to violate any of said restric-

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tions, or to force the granting of a variance, and to either restrain or enjoin such violation or to recover damages or other dues for such violation.

15. Should any of the restrictions herein contained be held to be invalid or void, such invalidation or voidence of any such restrictions shall in no way affect the validity of the rest of the restrictions.

IN WITNESS WHEREOF, the said Cup of Gold Water Co., Inc., has hereunto set its Corporate seal this 12th day of June, 1970.

Lee Morgan
Lee Morgan, President

Cecil J. Lockhart-Smith
Cecil J. Lockhart-Smith, Secretary



STATE OF ARIZONA

COUNTY OF Yavapai

ss.

On this 12th day of June, 1970, before me, a Notary Public in and for said County and State, personally appeared Lee Morgan and Cecil J. Lockhart-Smith, known to me to be the President and Secretary of the Cup of Gold Water Company, Incorporated, and that they, as such officers, being authorized to do so, executed the foregoing instrument for the purposes therein set forth, by signing the name of the corporation by themselves as such officers.

Michael E. Norman
Notary Public



My Commission expires:

My Commission Expires March 17, 1972

**CUP OF GOLD WATER COMPANY**

Cup of Gold Water Company
PO Box 679
Sedona, AZ 86339

Edward E. Hanley III

Realtor®

Office: 928-340-5001

Home: 928-204-2516

Cell: 928-300-7000

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email: eeh3@sedona.net

Website: www.edwardehanley.com

All is well in Sedona, Arizona USA...one of the nicest places on earth to live.

This is a petition for the Cup of Gold Water Company to be allowed to operate under our own policies rather than those of the Arizona Corporate Commission. I am strongly in favor of this move. We are pushing it for the same thing for Cross Creek Ranch Water Company also. The AZ Corp Comm folks in Phoenix have no idea what is really going on here in the rural outback. And it will save the water company a lot of money and trouble in the long run.

Please sign and MAIL It to: Ron Mohney, 200 East Wing Dr., Sedona, AZ 86336. He's the president, and has to have the 'original' signatures, so a fax or email won't do it.

Thanks.

Ed Hanley

BOARD OF DIRECTORS

President: Ron Mohney | Vice President: Diane Briney | Secretary: Ida-Mari de Blanc
Treasurer: Claudine Mohney | Board Member at Large: Naomi Ray

**Cup of Gold Water Company
PO Box 679, Sedona, AZ 86336**

**Reference:
Book 42 of Official Records
Pages 289 - 294
Records of Yavapai County, Arizona**

**AMENDMENT TO AND THE ENTIRE RESTATEMENT OF
THE BY-LAWS OF CUP OF GOLD WATER COMPANY, INC.**

**ARTICLE I
OFFICES**

Section 1. OFFICES. The registered office of the corporation in Arizona as required pursuant to Arizona law shall be located at the office of its statutory agent (unless otherwise designated, from time to time, in the corporations articles of Incorporation, then in effect). The corporation may maintain other offices as the Board of Directors may designate or as the business of the corporation may require from time to time. The mailing address of the corporation shall be Post Office Box 679, Sedona, Arizona 86339.

**ARTICLE II
MEMBERS**

Section 1. QUALIFICATIONS. The Members of the corporation shall be all of the Lot Owners. There shall be one membership for each Lot. If there is more than one person who has an ownership interest in a Lot, the membership in the corporation attributed to such Lot shall be deemed to be owned by such persons in the same proportion to their ownership or interest in the Lot. If a person owns more than one Lot, such person shall have a membership for each Lot owned. Each Lot Owner shall automatically become a Member of the corporation upon becoming a Lot Owner and shall remain a Member until such time as his, her or its ownership in the Lot ceases. In terms of voting, each lot is deemed a single water company customer whether or not there is an active water connection and regardless of the number of persons owning the lot or living in a house on a lot. Each customer shall have a single vote.

Section 2. ANNUAL MEETINGS. The annual meetings of the members for the election of directors and other business shall be held during the month of February on such day and such place in or near Sedona, Arizona, as shall be designated by the Board of Directors. If the election of directors shall not be held on the day designated by the Board of Directors for any annual meeting of the members, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon as conveniently may be held, provided that such meeting shall likewise be held in or near Sedona, Arizona.

Section 3. SPECIAL MEETINGS. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors, and shall be called by the President at the request of members comprising of not less than twenty five percent (25%) of all members. The written request shall state the purpose(s) of the meeting. The time and place in or near Sedona of any special meeting shall be fixed by the President, Board of Directors, or the members, as the case may be, who call or request the meeting.

If a special meeting is called by any person or persons other than the Board of Directors, the request shall be in writing, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the President, or the Secretary of the corporation. The officer receiving the request shall cause notice to be promptly given to the members entitled to vote, in accordance with the provisions of Sections 4 and 5 of this Article II, that a meeting will be held at the time requested by the person or persons calling the meeting, not less than ten (10) nor more than thirty (30) days after the receipt of the request. If the notice is not given within ten (10) days after receipt of the request, the person or persons requesting the meeting may give the notice. Nothing contained in this paragraph of this Section 3 shall be construed as limiting, fixing or affecting the time when a meeting of members called by action of the Board of Directors may be held.

Section 4. NOTICE OF MEMBERS MEETINGS. All notices of meetings of members shall be sent or otherwise given in accordance with Section 5 of this Article II not less than ten (10) nor more than sixty (60) days before the date of the meeting, and (i) in the case of a special meeting, the general nature of the business to be transacted, or (ii) in the case of the annual meeting, those matters which the Board of Directors, at the time of giving the notice, intends to present for action by the members. The notice of any meeting at which directors are to be elected shall include the name of any nominee or nominees whom, at the time of the notice, are intended to be presented for election.

If action is proposed to be taken at any meeting for approval of (i) an amendment of the articles of incorporation, (ii) a reorganization of the corporation, (iii) a voluntary dissolution of the corporation, or (iv) a sale, lease or exchange of all of its property and assets, the notice shall also state the general nature of that proposal.

Section 5. MANNER OF GIVING NOTICE. Notice of any meeting of members shall be given either personally or by first class mail or telegraphic or other written communication, charges prepaid, addressed to the member at the address of that member appearing on the books of the corporation or given by the member to the corporation for the purpose of notice. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication.

A statement of the mailing or other means of giving any notice of any members meeting shall be executed by the Secretary, Assistant Secretary, or any other person giving notice, and shall be filed and maintained in the minute book of the corporation.

Each Lot Owner shall be responsible for informing the Secretary of the corporation with his, her, their or its then current address, which address shall be used for all notices required hereunder. Additionally, upon the sale or other transfer of a Lot, the Board of

Directors shall have no responsibility to determine the name and/or address of the new Lot Owner. In the event of any sale or other transfer, it shall be the responsibility of the Lot Owner to inform the new Lot Owner of the membership in the corporation arising from the ownership of the Lot, and for such Lot Owner to notify the Secretary of the corporation with the new address to which notices shall be sent. Notices shall be sent to only one address notwithstanding that more than one person or persons have an interest in a Lot. All members shall hold the board of directors harmless and free from liability of any action or failure of notice due to its lack of knowledge of the then existing person or persons who are Lot Owners.

Section 6. QUORUM. The members in person or by proxy, present at a meeting of the members, provided such members constitute at least twenty percent (20%) of the members entitled to vote, shall constitute a quorum for the transaction of business with regard to all matters to be voted upon by the members.

Section 7. ADJOURNED MEETING; NOTICE. Any members meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at that meeting, either in person or by proxy, but in the absence of a quorum, no other business may be transacted at that meeting, except as provided in Section 7 of this Article II.

When any meeting of members, either annual or special, is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place are announced at a meeting at which the adjournment is taken, unless a new record date for the adjourned meeting is fixed, or unless the adjournment is for more than forty-five (45) days from the date set for the original meeting, in which case the Board of Directors shall set a new date. Notice of any such adjourned meeting shall be given to each member of record entitled to vote at the adjourned meeting in accordance with the provisions of Sections 4 and 5 of this Article II. At any adjourned meeting the corporation may transact any business which might have been transacted at the original meeting.

Section 8. VOTING. The members entitled to vote at any meeting of members shall be determined in accordance with the provisions of Section 10 of this Article II. The members' vote may be by voice vote or by ballot; provided, however, that any election for directors must be by ballot if demanded by any of the members so entitled to vote therefore. On any matter other than elections of directors, and so long as the quorum requirements are satisfied, the affirmative vote of the holders of a majority of the shares of stock entitled to vote, shall constitute the act of the members.

In accordance with Section 10, Article 14 of the Arizona Constitution, the election of directors of the corporation shall be by cumulative voting. This manner of voting shall be implemented at the 1994 annual meeting of members.

Section 9. WAIVER OF NOTICE OR CONSENT BY ABSENT MEMBERS. The transactions of any meeting of members, either annual or special, however called and noticed, and held in accordance with the provisions of this Article II, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each person entitled to vote, who was not present in person or by proxy, signs a written waiver of notice or a consent to a holding of the meeting, or an approval of the minutes. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any annual or special meeting of members, except that if action is taken or proposed to be taken for approval of any of those matters

specified in the second paragraph of Section 4 of this Article II, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Attendance by a person at a meeting shall also constitute a waiver of notice of that meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, and except that attendance at a meeting is not a waiver of any right to object in the consideration of matters not included in the notice of the meeting if that objection is expressly made at the meeting.

Section 10. RECORD DATE FOR MEMBER NOTICE AND VOTING. For purposes of determining the members entitled to notice of any meeting, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) days nor less than ten (10) days before the date of any such meeting, and in this event only members of record on the date so fixed are entitled to notice, as the case may be, notwithstanding any transfer of any members on the books of the corporation after the record date due to the sale or other transfer of a Lot.

If the Board of Directors does not so fix a date, the record date for determining members entitled to notice of a meeting of members shall be at the close of business on the business day next preceding the day on which notice is given, or if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held.

For purposes of determining the members entitled to vote at any meeting, the member must be in good standing, which shall mean that the member has paid all monthly charges (for water usage of those members of Lot Owners connected to the water system and the availability fee of those members of Lot Owners not connected to the water system), for assessments of members of all Lot Owners, and availability fees invoiced by the corporation to the members. This provision shall be effective for any meetings held after June 1, 1994. On the notice of any special meeting of the members, the notice shall state whether on the date of such notice, such member is delinquent in the payment of any fee due and owing the corporation. For purposes of the annual meeting of the members in February of each year, the notice shall provide notice of any delinquent payment for any period other than the for the quarter ending on December 31st of the year immediately preceding the annual meeting of members. Payment of the invoice for the period ending December 31 of the year immediately preceding the annual meeting shall not be taken into account in determining whether the member shall be entitled to vote at the annual meeting. Even though a member may not be entitled to vote at any meeting because such member is not in good standing as herein defined, such member shall be entitled to attend the meeting or meetings.

Section 11. PROXIES. Every person entitled to vote for directors or on any other matter shall have the right to do so either in person or by one or more agents authorized by a written proxy signed by the person and filed with the Secretary of the corporation. A proxy shall be deemed signed if the member's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the member or the member's attorney in fact. A validly executed proxy which does not state that it is irrevocable shall continue in due force and effect unless (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the corporation stating that the proxy is revoked, or by a subsequent proxy executed by, or attendance at the meeting and voting in person by, the person executing the proxy; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the corporation before the vote pursuant to that proxy is counted; provided,

however, that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy.

Section 12. MEMBER ACTION BY WRITTEN CONSENT WITHOUT A MEETING. Any action which may be taken at any annual or special meeting of members, except as may be inconsistent with the Revised Statutes of Arizona, including without limiting matters relating to the sale, lease or exchange of all the corporation's assets or property, may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, is signed by Lot Owners who are members of not less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all members entitled to vote on that action were present and voted. Any member giving a written consent, or the members' proxy holders, may revoke the consent by a writing received by the Secretary of the corporation before written consents of the number of members required to authorize the proposed action have been filed with the Secretary. If the consents of all members entitled to vote have been solicited in writing, and if the unanimous written consent of all such members shall have been received, the Secretary shall give prompt notice of the corporate action approved by the members without a meeting. This notice shall be given in the manner specified in Section 5 of this Article II.

ARTICLE III DIRECTORS

Section 1. POWERS. Subject to the provisions of the Revised Statutes of Arizona and any limitations in the articles of Incorporation and these By-laws relating to action required to be approved by the members, the business and affairs of the corporation in the operation, maintenance and development of a water system for the water delivery to the Lot Owners shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors shall be empowered to do all things, or to delegate such power and authority to such other persons as it deems appropriate, that may be necessary or advisable in the operation of the water system, including without limitation the establishment of operating systems, reporting systems, compliance measures for purposes of Federal or State regulatory agencies, management policies, financing measures, maintenance procedures, acquisition programs, renovating or upgrading of system and equipment, rate fixing, service fees, availability fees, availability fee, special and annual assessments, policies relating to meter disconnection, delinquent accounts, past due notices, length of time for payment before a meter is disconnected, and type of notices sent to delinquent owners, procedures for water line extensions, purchase of materials and equipment, purchase of insurance for assets, and the like. In addition to the foregoing, the Board of Directors shall be empowered to manage and operate all of the assets of the corporation, including without limiting, the real estate owned by the corporation.

Section 2. NUMBER AND QUALIFICATION OF DIRECTORS. The authorized number of directors shall not be less than three (3) directors and not more than nine (9) directors until changed by amendment to this By-Law consistent with the Articles of Incorporation. The Board of Directors shall be empowered to determine the number of directors serving from time to time in accordance with the provisions of this Section 2.

Section 3. ELECTION AND TERM OF OFFICE OF DIRECTORS. Directors shall be elected at each annual meeting of the members to hold office until the next annual meeting. Each director, including a director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

Section 4. VACANCIES. Vacancies in the Board of Directors created by resignation, death or otherwise, (except removal by the members), shall be filled by a vote of a majority of the remaining directors, even though less than a quorum if undertaken at a meeting of the directors, or if no meeting is called for such purpose, then by a written notice thereof signed by each of the remaining directors appointing said successor director(s). Each director so appointed shall hold office until the next annual meeting of the members and until a successor has been elected and qualified.

Any director may resign effective on giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for that resignation to become effective.

Section 5. PLACE OF MEETINGS. Regular meetings of the Board of Directors may be held at any place in or near Sedona, Arizona, that has been designated in the notice thereof. In the absence of such a designation, regular meetings shall be held at the residence of the President of the corporation. Special meetings of the Board shall be held at any place in or near Sedona, Arizona that has been designated in the notice of the meeting or, if not stated in the notice of the meeting, or there is no notice, at the residence of the President of the corporation.

Section 6. ANNUAL MEETING. Immediately following each annual meeting of members, the Board of Directors shall hold a regular meeting for the purpose of organization, any desired election of officers, and the transaction of other business. Notice of this meeting shall not be required.

Section 7. OTHER REGULAR MEETINGS. Other regular meetings of the Board of Directors shall be held at such time as shall from time to time be fixed by the Board of Directors. Such regular meetings may be held without any formal notice.

Section 8. SPECIAL MEETINGS. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chairman of the Board or the President or any three directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone to each director or sent by first class mail, addressed to each director at that director's address as it is shown on the records of the corporation. In case the notice is mailed, it shall be deposited in the United States mail at least ten (10) days before the time of the holding of the meeting. In case the notice is delivered personally or by telephone or telegram, it shall be delivered personally or by telephone at least forty-eight (48) hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director.

Section 9. QUORUM. A majority of the total number of directors then serving shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 11 of this Article III. Except as provided in these By-laws, every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. A

director may not give his or her proxy to another person to act in his or her stead at any meeting of directors, or to act for said director in any capacity as a director.

Section 10. WAIVER OF NOTICE. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director, who attends the meeting without protesting before or at its commencement, the lack of notice to that director.

Section 11. ADJOURNMENT. A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 12. NOTICE OF ADJOURNMENT. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of the time and place shall be given before the time of the adjourned meeting, in the manner specified in Section 8 of this Article III, to the directors who were not present at the time of the adjournment.

Section 13. ACTION OF THE DIRECTORS WITHOUT A 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 shall individually or collectively consent in writing to that action. Written consents in lieu of meetings may be signed within or outside the State of Arizona, provided such consents are promptly forwarded to the registered office of the corporation, duly filed with the corporate minutes. Such written consents shall be in full force and effect upon the execution thereof by all of the Directors of the corporation.

Section 14. FEES AND COMPENSATION OF DIRECTORS. Directors may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be fixed or determined by resolution of the Board of Directors. This Section 14 shall not be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation for those services.

ARTICLE IV OFFICERS

Section 1. OFFICERS. The officers of the corporation shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer, and such other officers with such powers and duties not inconsistent with these By-laws as may be appointed and determined from time to time by the Board of Directors. Any number of offices may be held by the same person with the exception that the President and the Secretary shall not be held by the same person.

Section 2. ELECTION AND QUALIFICATION OF OFFICERS. The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 4 of this Article IV, shall be chosen by the Board of Directors, and each shall serve at the pleasure of the Board. The President of the corporation must be a member of the Board of Directors. Any person may be elected to serve as any other officer of the corporation whether or

not such person is also a director.

Section 3. RESIGNATION OF OFFICERS. Any officer may be removed, either with or without cause, by action of the Board of Directors, at any regular or special meeting of the Board.

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 4. VACANCIES IN OFFICES. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the same manner prescribed in these By-laws for regular appointments to that office.

Section 5. PRESIDENT. The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation. He shall preside at all meetings of the members and at all meetings of the Board of Directors. He shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the By-laws.

Section 6. VICE PRESIDENTS. In the absence or disability of the President or Vice Presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or the By-laws and the President.

Section 7. SECRETARY. The Secretary shall keep or cause to be kept, at the registered office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and members, with the time and place of holding, whether regular or special and, if special, how authorized, the notice given, the names of those present at directors meetings or committee meetings, the number of members present or represented at members meetings, and the proceedings.

The Secretary shall keep or cause to be kept, at the registered office or at the residence of the President, as determined by resolution of the Board of Directors, a membership register, showing the names of all members and their addresses, and the Lot owned by such member, and such information concerning the date of transfer of any Lot received by the Secretary from the Lot Owner.

The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors required by the By-laws or by law to be given, and he shall keep the seal of the corporation if one be adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by the By-laws.

Section 8. TREASURER. The Treasurer shall keep and maintain, or cause to be

kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any director.

The Treasurer shall deposit all monies and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all of his transactions as chief financial officer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or by the By-laws.

ARTICLE V OPERATION AND MAINTENANCE OF WATER DELIVERY SYSTEM

SECTION 1. POLICY. The Board of Directors shall make all policy decisions concerning the operation and maintenance of the Water Delivery System.

SECTION 2. WATER RATES. The Board of Directors shall be empowered and authorized to set all rates pertaining to the delivery of water to members or the availability of such water to all Lots. In addition to setting the rates, the Board of Directors shall be empowered or authorized to set different rates at certain levels of usage, for purposes of conserving water.

SECTION 3. BILLING PROCEDURES. The Board of Directors shall be empowered and authorized to establish billing procedures, including the format of the bill and the frequency of billings. The Board of Directors may collect such costs and fees, penalties and/or interest on delinquent accounts, as they may determine applicable from time to time.

SECTION 4. ANNUAL ASSESSMENT. The Board of Directors shall be empowered and authorized to assess all members of the Cup of Gold Water Company, Inc. on an equal basis to create a fund. The amount of the annual assessment shall be announced at the annual meeting of members by the Board of Directors. The annual assessment, if made, shall be due and payable on or before March 31st following the annual meeting of members. The fund so created shall be used for such expenses as real estate taxes, repairs, maintenance, replacement, upkeep and new construction of the water system, and for the betterment of assets owned by the corporation.

SECTION 5. SPECIAL ASSESSMENTS. The Board of Directors shall have the authority to assess all members of the Cup of Gold Water Company, Inc. on an equal basis for any extraordinary expenses not covered by any annual assessment, or for such shortfall in the fund identified in Section 4 of this Article for failure to have made annual assessment in prior years, major expenditures for engineering, surveying, legal or other services necessary or advisable to carry out the purposes of the corporation and to protect the interests of the corporation. The Board of Directors shall be empowered to make a special assessment to cover the purchase or construction of any new water distribution facility or capital improvement. Notice of a Special Assessment shall be sent to all members, and the same shall be due and payable thirty (30) days after billing.

**ARTICLE VI
INDEMNIFICATION OF DIRECTORS, OFFICERS,
EMPLOYEES AND OTHER AGENTS**

Section 1. AGENTS, PROCEEDINGS, AND EXPENSES. For the purposes of this Article, "agent" means any person who is or was a director, officer, employee or other agent of this corporation, or is or was serving at the request of this corporation as director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of this corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes, without limitation, attorneys' fees and any expenses of establishing a right to indemnification under Section 4 or Section 5(c) of this Article.

Section 2. ACTIONS OTHER THAN BY THE CORPORATION. This corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any proceeding (other than an action by or in the right of this corporation) by reason of the fact that such person is or was an agent of this corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if that person acted in good faith and in a manner that person reasonably believed to be in the best interests of this corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of that person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of this corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3. ACTIONS BY THE CORPORATION. This corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by or in the right of this corporation to procure a judgment in its favor by reason of the fact that person is or was an agent of this corporation, against expenses actually and reasonably incurred by that person in connection with the defense or settlement of that action if that person acted in good faith, in a manner that person believed to be in the best interests of this corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 3

(a) In respect of any claim, issue or matter as to which that person shall have been adjudged to be liable to this corporation in the performance of that person's duty to this corporation, unless and only to the extent that the court in which that action was brought shall determine upon application that, in view of all the circumstances of the case, that person is fairly and reasonably entitled to indemnity for the expenses which the court shall determine;

(b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval.

Section 4. SUCCESSFUL DEFENSE BY AGENT. To the extent that an agent of

this corporation has been successful on the merits in defense of any proceeding referred to in Sections 2 or 3 of this Article, or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 5. REQUIRED APPROVAL. Except as provided in Section 4 of this Article, any indemnification under this Article shall be made by this corporation only if authorized in the specific case on a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 2 or 3 of this Article, by:

(a) A majority vote of a quorum consisting of directors who are not parties to the proceeding;

(b) Approval by the affirmative vote of a majority of the members of this corporation entitled to vote represented at a duly held meeting at which a quorum is present or by the written consent of a majority of the members entitled to vote. For this purpose, the membership owned by the person to be indemnified shall not be considered outstanding or entitled to vote thereon; or

(c) The court in which the proceeding is or was pending, on application made by this corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by this corporation.

Section 6. ADVANCE OF EXPENSES. Expenses incurred in defending any proceeding may be advanced by this corporation before the final disposition of the proceeding on receipt of an undertaking or by or on behalf of the agent to repay the amount of the advance unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

Section 7. OTHER CONTRACTUAL RIGHTS. Nothing contained in this Article shall affect any rights to indemnification to which persons other than directors and officers of this corporation or any subsidiary hereof may be entitled by contract or otherwise.

Section 8. LIMITATIONS. No indemnification or advance shall be made under this Article, except as provided in Section 4 or Section 5(c), in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the articles, a resolution of the members, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 9. INSURANCE. Upon and in the event of a determination by the Board of Directors of this corporation to purchase such insurance, this corporation shall purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such

whether or not this corporation would have the power to indemnify the agent against that liability under the provisions of this section.

ARTICLE VII RECORDS AND REPORTS

Section 1. MAINTENANCE AND INSPECTION OF MEMBERSHIP REGISTER. The corporation shall keep at its registered office, or at the residence of the President, a record of its members, giving the names and addresses of all members.

A member of the corporation may, upon written demand, (i) inspect and copy the records of members' names and addresses during usual business hours, and (ii) obtain from the President of the corporation, on written demand and on the tender of charges for such list, a list of the members' names and addresses, who are entitled to vote for the election of directors.

Section 2. MAINTENANCE AND INSPECTION OF BY-LAWS. The corporation shall keep at the residence of the President or its registered office, the original or a copy of the By-laws as amended to date, which shall be open to inspection by the members at a mutually agreed upon time.

Section 3. MAINTENANCE AND INSPECTION OF OTHER CORPORATE RECORDS. The accounting books and records and minutes of proceedings of the members and the Board of Directors shall be kept at the registered office of the corporation or at the residence of the Treasurer. The minutes shall be kept in written form and the accounting books and records shall be kept in written form or in any other form capable of being converted into written form. The minutes and accounting books and records shall be open to inspection upon the written demand for a proper stated purpose, of any member, at a mutually agreed upon time, for a purpose reasonably related to the member's interest. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts, at the expense of the member.

Section 4. INSPECTION BY DIRECTORS. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation. This inspection by a director may be made in person or by an agent or attorney and the right of inspection includes the right to copy and make extracts of documents.

Section 5. FINANCIAL STATEMENTS. A copy of any annual financial statement and any income statement of the corporation, and any accompanying balance sheet of the corporation as of the end of each such period, that has been prepared by the corporation shall be kept on file in the registered office of the corporation, or at the residence of the Treasurer, for twelve (12) months and each such statement shall be exhibited at all reasonable times to any member demanding an examination of any such statement or a copy shall be mailed to any such member upon his written demand.

ARTICLE VIII GENERAL CORPORATE MATTERS

Section 1. RECORD DATE FOR PURPOSES OTHER THAN NOTICE AND

VOTING. For purposes of determining the members entitled to receive any distribution or allotment of any rights or entitled to exercise any rights in respect of any other lawful action (other than action by members by written consent without a meeting), the Board of Directors may fix, in advance, a record date, which shall not be more than forty-five (45) days before any such action, and in that case only members of record on the date so fixed are entitled to receive the distribution, or allotment of rights or to exercise the rights, as the case may be, notwithstanding any transfer of membership on the books of the corporation after the record date so fixed, except as otherwise provided in Revised Statutes of Arizona. If the Board of Directors does not so fix a record date, the record date for determining members for any such purpose shall be at the close of business on the day on which the Board adopts the applicable resolution.

Section 2. CHECKS, DRAFTS, EVIDENCES OF INDEBTEDNESS. All checks, drafts, or other orders for payment of money, notes, or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by resolution of the Board of Directors in accordance with these By-laws.

Section 3. CORPORATE CONTRACTS AND INSTRUMENTS. HOW EXECUTED. The Board of Directors, except as otherwise provided in these By-laws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation, and this authority may be general or confined to specific instances; and, unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 4. NO MEMBERSHIP CERTIFICATES. No membership certificate shall be issued to any member of the corporation. Membership in the corporation shall be exclusively determined based upon the real estate records at the Office of the Recorder of Deeds for Yavapai County, in Prescott, Arizona.

Section 5. NO TRANSFERABILITY OF MEMBERSHIP EXCEPT BY TRANSFER OF LOT. Membership in the corporation cannot be transferred or alienated by any member other than upon the sale or other transfer of a Lot, as such sale or transfer is reflected at the Office of the Recorder of Deeds of Yavapai County, in Prescott, Arizona. No transfer of the membership shall be recognized by the corporation other than as herein provided.

Section 6. SEAL. The corporate seal of the corporation shall have inscribed on its outer edge, the following words: "Cup of Gold Water Company, Inc.", and in the center the words and figures "Incorporated - 1955 - Arizona".

Section 7. FISCAL YEAR. The fiscal year of the corporation shall be December 31st of each year.

Section 8. CONSTRUCTION AND DEFINITIONS. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Revised Arizona Statutes shall govern the construction of these By-laws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

The definitions set forth in this Section shall apply to the following words used in these By-laws:

(a) The "Subdivision" means:

(i) CUP OF GOLD ESTATES, according to the plat of record in the office of the County Recorder of Yavapai County, Arizona, in Book 5 of Maps, page 96, as amended by amended plat of record in the office of the County Recorder of Yavapai County, Arizona, in Book 17 of Maps, page 93; and

(ii) EAST CUP OF GOLD ESTATES, according to the plat of record in the office of the County Recorder of Yavapai County, Arizona, in Book 5 of Maps, page III; and

(iii) SOUTH CUP OF GOLD ESTATES, according to the plat of record in the office of the County Recorder of Yavapai County, Arizona, in Book 5 of Maps, page 118.

(b) "Lots" mean Lots I through 12, 13A, 13B, 13C, 14 through 28, 30 through 33, 35 and 36 in the Subdivision. Lot X and Tract A and Lot 34 are not included within the definition of Lots. "Lot" means any of the identified Lots herein.

(c) The "Lot Owners" shall mean the following persons or entities:

(i) The buyer as to each Lot under a recorded agreement of sale so long as the buyer's interest has not been forfeited or foreclosed.

(ii) The record owner of the legal title to the Lot, whether a natural person, corporation, unincorporated association, trustee, or the like.

ARTICLE IX DISPUTE RESOLUTION

Section 1. NEGOTIATION/ARBITRATION. In the event of any dispute, claim, question, or disagreement arising out of or relating to the operation or maintenance of the water delivery system, including without limiting, the rate fixing and/or annual or special assessments, and a member of the corporation, the parties thereto shall use their best efforts to settle such disputes, claims, questions, or disagreement. To this effect, they shall consult and negotiate with each other, in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to the parties. If they do not reach such solution within a period of sixty (60) days, then upon notice by either party to the other, disputes, claims, questions, or differences shall be finally settled by arbitration in accordance with the provisions of the Commercial Rules of the American Arbitration Association.

Section 2. LAW GOVERNING. In any dispute governed by Section 1 hereof, the disputed matter shall be settled by arbitration in accordance with the substantive and procedural laws of the State of Arizona.

Section 3. PLACE OF ARBITRATION. The site of arbitration shall be in Sedona, Arizona.

Section 4. NUMBER AND QUALIFICATION OF ARBITRATORS. The arbitration shall be before one neutral arbitrator to be selected in accordance with the Commercial Rules of

the American Arbitration Association and shall proceed under the Expedited Procedures of said Rules, irrespective of the amount in dispute.

Section 5. WRITTEN OPINIONS. The arbitration award shall be in writing and shall specify the factual and legal bases for the award.

Section 6. FEES AND EXPENSES. The prevailing party shall be entitled to an award of reasonable attorney's fees. The arbitrator shall award to the prevailing party, if any, all of the costs and fees. "Cost and Fees" means all reasonable pre-award expenses of the arbitration, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, witness fees and attorney's fees. -

ARTICLE X AMENDMENTS

Section 1. AMENDMENT BY MEMBERS. New By-laws may be adopted or these By-laws may be amended or repealed by the, vote or written consent of members comprising of a majority of all members entitled to vote.

Section 2. AMENDMENT BY DIRECTORS. Subject to the rights of the members as provided in Section 1 of this Article, By-laws, may be adopted, amended, or repealed by the affirmative vote of a majority of the members Of the Board of Directors.

ARTICLE XI Exclusivity

Amendment effective 09/13/08:

It is the intent of Cup of Gold Water Company, Inc. to exclusively serve all individuals within the Cup of Gold subdivisions' boundaries. The Board will not consider service requests from any external source. All lot owners within the Cup of Gold subdivisions are restricted from obtaining water from a source other than the Cup of Gold Water Company, Inc., except that Cup of Gold lot owners may drill their own well and/or use hauled water as either their sole water source or to supplement water supplied by Cup of Gold Water Company, Inc.

By Ronald G. Mohney
President, Cup of Gold Water Company, Inc.

ARTICLE XII

Limit on Membership

Amendment effective 10/14/09:

The Cup of Gold Water Company shall not increase its membership either through subdivision of the existing 39 lots or expansion of the service area or change in the requirement that each customer as defined in Article II Section 1 has one and only one vote of Company membership

representation. The Covenants, Conditions and Restrictions of the Cup of Gold subdivision shall comply with this bylaw.

Each August, or as otherwise required by the Arizona Corporation Commission, a Cup of Gold Water Company Officer shall file notice of compliance of the above via the Commission's Docket Control.

In the event this Article is violated, the Company shall file an application for a Certificate of Convenience and Necessity within 30 days.

By Ronald G. Mohney
President, Cup of Gold Water Company, Inc.

ARTICLE XIII Responsibilities

Amendment effective 11/12/09:

It is the responsibility of the Cup of Gold Water Company, Inc. to maintain in good working condition all Company - owned infrastructure, up to and including individual water meters. Water users are required to maintain their water infrastructure consistent with the integrity of the overall water system as determined by the Company Officers. A Company Officer may require the repair, at user's expense, of a leak on user property, the installation of a back flow check valve or any other maintenance item that may reasonably threaten the availability or quality of Company water or the cost of maintaining the system in good working order.

It is the responsibility of the individual water user to maintain the meter box and shutoff valve free of erosion of sediment from user's property such that the meter is unreadable or the Company water lines on user's property are exposed to freezing.

The water user shall grant any Company Officer or Company-authorized meter reader or repairman access to the meter at all times and without notice.

By Ronald G. Mohney
President, Cup of Gold Water Company, Inc.

I, the undersigned do hereby certify that I am the duly elected and acting Secretary of Cup of Gold Water Company, Inc. These 16 pages constitute the By-Laws of the Corporation as of this date: December 2, 2009.

Ida-Meri de Blanc, Secretary, Cup of Gold Water Company, Inc.