

AMENDED AND RESTATED
CODE OF BY-LAWS
OF
HILL WATER CORPORATION

Adopted as of [•], 2025

1.

Identification

Name. The name of the Corporation is Hill Water Corporation (the “**Corporation**”).

Location. The offices of the Corporation shall be in Morgan County, Indiana.

2.

Membership

Membership Generally. Any occupant or person, including any body politic and/or corporation, holding property and having need of and reasonable accessibility to the services provided by the Corporation may be a member of this Corporation (a “**Member**”) by obtaining a membership number after the Corporation determines it has capacity sufficient to provide the service requested by issuing such membership number. Such person(s) may be admitted to membership by signing such agreements for the purchase of service as may be provided and required by the Corporation. A fee set by the Board of Directors shall be paid per membership upon application for membership in this Corporation.

Eligibility. A Member ceases to be eligible to hold membership as provided in Section 2.01 in case of death, or willfully fails to comply with these By-Laws and other rules and regulations of the Corporation, or willfully obstructs the purposes and proper activities of the Corporation.

Membership Number. The membership number shall be issued to each holder of a fully paid membership and shall be numbered consecutively in accordance with the order of issue. No number may be issued more than once. Each member agrees to the following:

(a) The membership number is issued and accepted in accordance with and subject to the conditions and restrictions stipulated in the Articles of Incorporation, By-Laws and amendments to the same of the Hill Water Corporation.

(b) Transfers of membership numbers shall be made in the records of the Corporation, only to persons eligible to become Members, and only with the approval of the Board of Directors or their duly appointed agent, and then only when the Member transferring is free from any indebtedness to the Corporation.

(c) No Member shall be entitled to more than one vote at a meeting of the Members. Every Member upon becoming a Member of this Corporation agrees to sign such agreements for the purchase of services as may from time to time be required by the Corporation, and agrees that in case said Member should desire to dispose of its membership it shall offer the same to the Corporation at its fair book value and that Member will make no offer of assignment of sale elsewhere.

Signature. Each Member agrees to sign such user's agreements as the Corporation shall from time to time provide and require.

3.

Meetings of Members

Annual Meeting. The annual meeting of the Members shall be held in Morgan County, Indiana, during the month of April at a time and place determined by the Board of Directors. Notice of such meeting shall be mailed to each Member of record, directed to the address shown on the books, at least thirty (30) days prior to the meeting, in accordance with Section 23-17-10-5 of the Act.

Special Meetings. A special meeting of the Members may be called by the Board of Directors or whenever a petition requesting such a meeting is signed by at least ten percent (10%) of the Members and presented to the Secretary of Board of Directors. The purpose of any special meeting shall be stated in the notice thereof, and no business shall be transacted except such as is specified in the notice. Such notice shall be mailed to each Member of record, directed to the address shown on the books, at least sixty (60) days prior to the meeting; and such notice shall state the nature, time, place and purposes of the meeting, but no failure or irregularity of notice of any annual meeting, regularly held, shall affect any proceedings taken thereafter, all in accordance with Section 23-17-10-5 of Indiana's Non-Profit Corporation Act.

Quorum. Unless otherwise stated by law, the Members present at any meeting of the Members shall constitute a quorum for the transaction of business. No Member shall be entitled to more than one vote and no voting by proxy shall be allowed.

Order of Business. The order of business at the regular meetings and so far as possible at all other meetings shall be:

- (a) Call to order and proof of quorum.
- (b) Proof of notice of meeting.
- (c) Reading and action on any unapproved minutes.
- (d) Reports of officers and committees.
- (e) Election of directors.
- (f) Unfinished business.
- (g) New business.
- (h) Adjournment.

Compensation of Directors and Officers. Compensation of Directors and Officers may be fixed at any meeting of Directors or Members of the Corporation.

4.

Benefits and Duties of Members

Functions. The Corporation will install, maintain and operate and replace service lines from its main line or lines to the property line or meter setting of each Member of the Corporation. The cost of the service line or lines from the main line or lines of the Corporation to the property line or meter setting of each Member shall be paid by the Member according to the prevailing connection fee as well as a system development charge of the Corporation. Even if a line and/or meter already exists on the property to be served, a new owner or occupant must pay the membership fee to obtain service.

Connection Point. Each service line shall connect with the Corporation's system at a point determined by the Corporation. No new service line or change in an existing service line may be made which will interfere with an existing service line. Each Member will be required to install, or have installed, at Member's expense, including materials and labor, a service line, and to maintain such portion of the service line or lines from the property line or meter setting to the point of use at the Member's expense, provided that the Corporation may, if the Board of Directors so elect, purchase the pipe for and install such portion of such service line or lines, the cost of which will, however, be paid by the individual Member.

Services Available.

(a) Each Member shall be entitled to purchase from the Corporation, pursuant to such agreements as may from time to time be provided and required, such service as the Member may desire, subject to the provisions of these By-Laws and to such rules and regulations as may be prescribed by the Board of Directors.

(b) The Board of Directors shall determine whether the monthly rates and charges are adequate to support the operation of the Corporation, and if not, will adjust all rates and

charges accordingly. The minimum monthly rate as set up in the rate schedule will be payable irrespective of whether any service is used by a Member during any month. The Board of Directors shall fix the date for the payment of such charges, and shall notify each Member or cause each Member to be notified of the amount of such charges and dates for payment thereof. To be entitled to service a Member shall pay such charges at the office of the Corporation on or prior to the dates fixed by the Board of Directors. The failure to pay monthly charges duly imposed shall result in the automatic imposition of the following penalties:

i. A bill which is unpaid for seventeen (17) calendar days following the mailing of the bill is delinquent. This means the payment must be RECEIVED in the utility office on or before the close of business on the 17th day after the bill was mailed. A late payment charge of ten percent (10%) per month will be charged if payment is not received by 4:00 pm on the 17th day of the following month. The late charge shall be added to all bills received on or after the 18th day after the bills were mailed. Postmarks cannot be accepted with the 17-day payment period.

ii. Non-payment for forty-five (45) days from the due date will allow the corporation to terminate the membership as provided in Section 4.05 of these By-Laws.

4.2. Non-Payment and Remedies Available to the Corporation.

(a) **Failure to Pay:** In the event a Member fails to pay any amount due for utility services provided by the Corporation within sixty (60) days after the payment due date, the Corporation reserves the right to take any legal action necessary to collect the unpaid amount.

(b) **Collection Costs:** In addition to the outstanding balance, if the Corporation is required to initiate legal action to recover the debt, the Member shall be responsible for all reasonable costs associated with the collection, including, but not limited to, court costs, collection agency fees, and reasonable attorney fees incurred by the Corporation in pursuing such non-payment.

(c) **Judgment for Non-Payment:** Any judgment obtained by the Corporation in connection with the collection of the debt shall include the full outstanding balance, plus any additional costs incurred in the legal process as described in this provision.

(d) **Setoff Against Membership Interest:** In the event of non-payment, the Corporation is entitled to set off any amounts owed by the Member against the Member's membership interest in the Corporation. The Corporation may reduce or withhold any benefits associated with the membership interest to the extent necessary to satisfy the outstanding balance, including any collection costs, court fees, and attorney fees.

(e) **Right to Pursue Legal Remedies:** The Corporation's right to pursue legal action to collect the debt, including the setoff against membership interest, is in addition to any other remedies available under applicable law or these bylaws, including the discontinuation of services as provided under Section 4.03.

User's Agreement. The Board of Directors shall be authorized to require each Member to enter into a user's agreement which shall embody the principles set forth in the foregoing section of this Article.

Cancellation of Membership. Membership may be cancelled and/or service discontinued by the corporation for violation of any rule or regulation, and in addition to any of the following:

(f) Misrepresentation in application as to the property or parties to be supplied or use to be made of the service.

(g) Misuse due to improper or imperfect service pipes and/or fixtures or failure to keep the same in a suitable state of repair.

(h) Tampering with mains or lines, valves, meters, meter settings, or any other equipment of the corporation, or permitting tampering of same by others.

- (i) Unauthorized connections, cross-connections, or permitting the same, of any separate line to the premises which receives service from the corporation.

5.

Board of Directors

Functions. The business, property, and affairs of the Corporation shall be managed and controlled by a Board of Directors as from time to time constituted.

Qualification and Number. Each member of the Board of the Directors (each, a “**Director**”) of the Corporation shall be a Member. The Board of Directors shall be no less than five (5) Members and no more than seven (7) Members. Except as otherwise provided in these By-Laws and the Articles of Incorporation, all members of the Board of Directors shall have and be subject to the same and equal qualifications, rights, privileges, duties, limitations and restrictions.

Appointment or Election. The Board of Directors shall be elected at the annual meeting of the Members provided in Article 3 of these By-Laws.

Term. Each appointed member of the Board of Directors shall serve until the appointed member has resigned or been removed. Each elected member of the Board of Directors shall serve for a term of three (3) years or until a successor is elected and qualified, or until the elected member has resigned or been removed. No more than three (3) members may be appointed to the Board of Directors each year. Incumbent Directors shall be eligible for re-appointment or re-election, and the number of years a person may serve as a Director is not limited.

Vacancies. Any vacancy among the Directors caused by death, resignation, removal or otherwise may be filled by the remaining Board of Directors, or if the Directors remaining in office constitute fewer than a quorum, by the affirmation vote of a majority of the Directors then remaining in office. A Director elected to fill a vacancy shall hold office until the expiration of the term of the Director causing the vacancy and until a successor shall be elected and qualified.

Resignation. Any Director may resign at any time by giving written notice of such resignation to the Board of Directors, the President or the Secretary of the Corporation. A resignation is effective upon delivery unless the notice specifies a later effective date. The acceptance of a resignation shall not be necessary to make it effective.

Removal. Any Director may be removed in the following manner: any Member, Officer, or Director may present charges against a Director or Officer by filing them in writing with the Secretary of the Corporation. The charges must be accompanied by a petition signed by ten percent (10%) of the membership of the Corporation. Such removal shall be voted on at the next regular or special meeting of the Members and shall be effective if approved by a vote of the majority of the Members present. The Director or Officer against whom such charges have been presented shall be informed in writing, of such charges five (5) days prior to the meeting, and shall have the opportunity to be heard in person or by counsel and to present witnesses, and the person or person presenting such charges against him shall have the same opportunity. If the removal of a Director is approved, such action shall also vacate any other office held by the removed Director in the Corporation. A vacancy in the Board of Directors thus created shall immediately be filled by a vote of a majority of the members present and voting. A vacancy in any office thus created shall be filled by the Directors from among their number so constituted after the vacancy in the Board of Directors has been filled.

Meetings. The Board of Directors shall meet each year either at the registered office of the Corporation in the State of Indiana, or at such other place within or without the State of Indiana as may be designated by the Board of Directors and specified in the respective notices or waivers of notice thereof. The Board of Directors shall meet within forty-five (45) days following the election of a Director by the Members and specified in the respective notices or waivers of notice thereof. Such meeting shall be for the purpose of organization, election of officers and consideration of any other business that may properly be brought before the meeting. If such meeting is not held as above provided, the election of officers may be held at any subsequent meeting of the Board of Directors specifically called in the manner set forth herein. The Board of Directors may provide by resolution the time and place, either within or without the State of Indiana, for the holding of additional regular meetings of the Board of Directors

without other notice than such resolution. Special meetings of the Board of Directors may be called by a President, which request shall set forth the business to be conducted at such meeting. Any Director may participate in or conduct any meeting of the Board of Directors though the use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting and a Director participating in the meeting by such means is considered to be present in person at the meeting.

Notice of Meetings. Notice of all meetings of the Board of Directors, except as herein otherwise provided, shall be given by mailing or emailing the same or by telephoning or by delivering personally the same at least ten (10) days before the meeting to the usual business or residence address of the Director as shown upon the records of the Corporation. Notice of any meeting of the Board of Directors may be waived by any Director by a document delivered to the Secretary. Attendance at any meeting of the Board of Directors shall constitute a waiver of notice of that meeting, except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Quorum.

(a) *Board of Directors Meetings.* A quorum of the Board of Directors at any annual, regular, or special meeting of the Board of Directors shall be a majority of the duly qualified members of the Board of Directors then occupying office. The act of a majority of the Directors present at a meeting of the Board of Directors who constitute a quorum shall be the act of the Board of Directors.

(b) *Board Committee Meetings.* A quorum of a committee of the Board of Directors at any annual, regular, or special meeting of such committee shall be a majority of the duly qualified members of such committee then occupying office, but in no case shall there be less than two (2) Directors present. The act of a majority of the Directors present at a meeting of the any committee who constitute a quorum shall be the act of such committee.

Action without Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if the action is taken by all members of the Board of Directors or of such committee. The action must be evidenced by at least one written consent describing the action taken, signed by each member of the Board of Directors (except as otherwise provided in this Section 5.11) or of such committee, and included in the minutes or filed with the corporate records reflecting the action taken.

Meeting by Electronic Methods. Any or all of the members of the Board of Directors or of any committee thereof may participate in a meeting by or through the use of any means of communication by which all persons participating may simultaneously communicate with each other during the meeting. Participation in a meeting using these means constitutes presence in person at the meeting.

Committees of the Board of Directors. The Board of Directors may, pursuant to Section 5.10, 5.11, or 5.12 hereof, designate one or more committees, each of which shall consist of two or more Directors appointed by the Board of Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation. Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated by a resolution adopted by a majority of the Directors present at the meeting at which a quorum is present. The designation of any such committee and the delegation thereof of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed by law.

6.

Officers

Officers and Agents. The officers of the Corporation shall consist of a President, a Vice-President, a Secretary, a Treasurer, and such other officers as the Board of Directors may, by resolution, designate from time to time. Any two (2) or more offices may be held by the same person. The Board of Directors may, by resolution, create, appoint and define the duties and fix the compensation of such officers and agents as, in its discretion, is deemed necessary,

convenient or expedient for carrying out the purposes for which the Corporation is formed. However, officers and agents shall be compensated, if at all, only for actual services performed on behalf of the Corporation.

Election, Term of Office and Qualification. All officers shall be chosen annually by the Board of Directors at the annual meeting of the Board of Directors. Each officer shall hold office (unless the officer resigns, is removed, or dies) until the next annual meeting of the Board of Directors or until a successor is chosen and qualified.

Vacancies. In the event an office of the Corporation becomes vacant by death, resignation, retirement, disqualification or any other cause, the Board of Directors shall elect a person to fill such vacancy, and the person so elected shall hold office and serve until the next annual meeting of the Board of Directors or until a successor is elected and qualified, or until the officer's death, resignation or removal.

President. The President shall be the principal executive officer of the corporation or any officer so appointed by the Board of Directors. The President shall preside at all meetings of the Board of Directors and shall be the Chairman of the Board. The President shall have and exercise general charge and supervision of the affairs of the Corporation and shall do and perform such other duties as these By-Laws provides or as may be assigned by the Board of Directors.

Vice-President. The Vice-Presidents shall exercise and perform such other powers and duties as these By-Laws, the Board, or as the President may prescribe.

Secretary. The Secretary shall have the custody and care of the corporate records and the minute book of the Corporation. The Secretary shall attend all the meetings of the Board of Directors and Members of the Corporation, and shall keep, or cause to be kept in a book provided for the purpose, a true and complete record of the proceedings of the meetings, and shall perform a like duty for all standing committees of the Board of Directors when required. The Secretary shall attend to the giving and serving of all notices of the Corporation, shall file and take care of all papers and documents belonging to the Corporation, shall authenticate

records of the Corporation as necessary, and shall perform such other duties as may be required by these By-Laws or as may be prescribed by the Board of Directors or a President.

Treasurer. The Treasurer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Corporation. The Treasurer shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into the possession of the Corporation. All funds of the Corporation coming into the Treasurer's hands shall be immediately deposited in some reliable bank or other depository to be designated by the Board of Directors, and shall keep such bank account in the name of the Corporation. The Treasurer shall furnish at meetings of the Board of Directors, or whenever requested, a statement of the financial condition of the Corporation and shall perform such other duties as may be required by these By-Laws or as may be prescribed by the Board of Directors or a President.

Removal. Any officer may be removed from office, with cause, by the majority vote of the Board of Directors.

Resignations. Any officer may resign at any time by delivering notice to the Board of Directors, the President, or the Secretary. A resignation is effective upon delivery unless the notice specifies a later effective date.

7.

Loans to Officers and Directors

The Corporation shall not lend money to or guarantee the obligations of any officer or Director of the Corporation.

8.

Financial Affairs

Contracts. The Board of Directors may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to a specific instance; and unless so authorized by

the Board of Directors, 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 render it liable pecuniarily for any purpose or to any amount.

Payment and Other Obligations. All checks, drafts, notes, bonds, bills of exchange, orders, ACH transactions, and other transaction for the payment of money and other evidences of indebtedness shall, unless otherwise directed by the Board of Directors or required by law, be signed by any one (1) of the following officers: President, Vice-President, Secretary, or Treasurer. The Board of Directors may, however, designate officers or employees of the Corporation, other than those named above, who may, in the name of the Corporation, execute drafts, checks, and orders for the payment of money in its behalf.

Investments. The Corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the Board of Directors.

9.

Fiscal Year

The fiscal year of the Corporation shall begin on January 1 and end on December 31.

10.

Corporate Indemnification

To the extent consistent with the laws of the State of Indiana, every person (and the heirs, estate, executors, administrators and personal representatives of such person) who is or was a Director or officer of the Corporation shall be indemnified by the Corporation as provided in the Indiana Nonprofit Corporation Act of 1991, as amended (the “Act”).

11.

Prohibited Activities

Notwithstanding any other provision of these By-Laws, no Director, officer, employee or agent of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization described in Section 501(c)(12) of the Internal Revenue Code of 1986, as amended, or any successor provision or provisions thereto.

12.

Amendments

Amendments of these By-Laws may be adopted by a majority vote of the members of the Board of Directors at any special or regular meeting of the Directors providing there is at least a ten (10) day written notice of said meeting and the notice has contained a copy of the proposed amendment or amendments.