

Control Number: 43166



Item Number: 12

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014.



The State of Texas
Secretary of State

OCT. 21, 1999

RECEIVED

2014 SEP 23 AM 11:48

PUBLIC UTILITY COMMISSION
FILING CLERK

JFK GROUP, INC.--ATTN: DONNA DAVENPORT
201 EAST SINTON STREET
SINTON, TX 78387

RE:
TYNAN WATER SUPPLY CORPORATION
CHARTER NUMBER 01422200-01

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD YOUR APPLICATION FOR REINSTATEMENT. THE APPROPRIATE EVIDENCE IS ATTACHED FOR YOUR FILES; THE ORIGINAL HAS BEEN FILED IN THIS OFFICE.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.

VERY TRULY YOURS,



Elton Bomer (28.11)

Elton Bomer, Secretary of State

ARTICLES OF INCORPORATION
OF
TYNAN WATER SUPPLY CORPORATION

THE STATE OF TEXAS §
 §
COUNTY OF BEE §

KNOW ALL MEN BY THESE PRESENT:

WE, the undersigned natural persons of the age of twenty-one (21) years or more, at least three of whom are citizens of the State of Texas, acting as incorporators of a corporation, do hereby adopt the following Articles of Incorporation for such Corporation:

ARTICLE I.

The name of the Corporation is Tynan Water Supply Corporation.

ARTICLE II.

The Corporation is a non-profit corporation organized under Article 1434a of the Revised Civil Statutes of the State of Texas 1925, as amended, and as supplemented by the Texas Non-Profit Corporation Act, Article 1396-1.01, et seq., of the Revised Civil Statutes of Texas, as amended, and is authorized to exercise all powers and rights incidental in carrying out the purposes for which the Corporation is formed, except such as are inconsistent with the express provisions of these Acts.

ARTICLE III.

The period of its duration is perpetual.

ARTICLE IV.

The Corporation is formed for the purpose of furnishing a water supply for general farm use and domestic purposes to individuals residing in the rural community of Tynan, Texas, and the surrounding rural areas. The places where the business of the Corporation is to be transacted shall be the Tynan Community in Bee County, Texas, and the surrounding rural areas.

ARTICLE V.

The street address of the initial registered office of the Corporation is Highway 59 - Tynan, and the name of its initial registered agent at such address is Juan G. Castillo

ARTICLE VI.

The number of directors constituting the initial Board of Directors of the Corporation is five (5), and the name and address of the persons who are to serve as the initial directors are:

NAME	ADDRESS	CITY
<u>Rose Beard</u>	<u>P.O. Box 33</u>	<u>Tynan</u>
<u>Juan G. Castillo</u>	<u>P.O. Box 123</u>	<u>Tynan</u>
<u>Jose M. Casarez</u>	<u>P.O. Box 186</u>	<u>Tynan</u>
<u>Sandra J. Urquizo</u>	<u>P.O. Box 4</u>	<u>Tynan</u>
<u>Gracie Laechelin</u>	<u>P.O. Box 111</u>	<u>Tynan</u>

ARTICLES VII.

No director shall be liable to the Corporation or to the Corporation's membership for monetary damages for any act or omission in the director's capacity as a director of the Corporation, except and unless the director shall be found liable for a breach of the director's duty of loyalty to the Corporation or the Corporation's membership; an act or omission not in good faith that constitutes a breach of the director's duty to the Corporation or an act or omission that involves intentional misconduct or a knowing violation of the law on the part of the director; a transaction from which the director receives an improper benefit, whether or not the benefit results from an action taken within the scope of the director's office; or an act or omission for which the liability of the director is expressly provided by Texas law.

ARTICLE VIII.

The name and street address of each incorporator is:

NAME	ADDRESS	CITY
<u>Rose Beard</u>	<u>P.O. Box 33</u>	<u>Tynan</u>
<u>Juan G. Castillo</u>	<u>P.O. Box 123</u>	<u>Tynan</u>
<u>Jose M. Casarez</u>	<u>P.O. Box 186</u>	<u>Tynan</u>
<u>Sandra J. Urquizo</u>	<u>P.O. Box 4</u>	<u>Tynan</u>
<u>Gracie Laechelin</u>	<u>P.O. Box 111</u>	<u>Tynan</u>

Each incorporator shall be a member of the Board of Directors who are to serve as directors until the first annual meeting of the members, or until their successors are elected and qualified.

ARTICLE IX.

The Corporation is and shall continue to be a Corporation without capital stock, and membership in the Corporation shall be deemed personal estate and shall be transferable only on the books of the Corporation in such manner as the BY-Laws may prescribe.

IN WITNESS WHEREOF, we have hereunto set our hands, this ____ day of _____, 1996.

THE STATE OF TEXAS §
 §
COUNTY OF BEE §

I, _____ a Notary Public, do hereby certify that on this _____ day of _____ 1996, personally appeared before me _____

who each being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

IN WITNESS HEREOF, I have hereunto set my hand and seal the day and year above written.

Notary Public in and for
_____ County, Texas

(Notarial Seal)

My commission expires _____.

BY-LAWS

TYNAN WATER SUPPLY CORPORATION

By-Laws of Tynan Water Supply Corporation, having been presented to the Board of Directors of said Corporation and duly adopted as follows:

ARTICLE I

The President shall preside at all Members' and Directors' meetings. The President may, and upon demand of one-third (1/3) of the Members, shall call a special meeting of the Members or Directors. Such special meetings shall be held upon giving the notice required in Article XII of the By-Laws. The President shall perform all other duties that usually pertain to the office or are delegated to him by the Board of Directors.

ARTICLE II

The Vice-President shall, in case of the absence or disability of the President, perform the duties of the President.

ARTICLE III

The Secretary-Treasurer shall have the custody of all the monies and securities of the Corporation. The Secretary-Treasurer shall keep regular books and shall keep minutes of all meetings of Members and Directors. All monies of the Corporation shall be deposited by the Secretary-Treasurer in such depository as shall be selected by the Directors. Checks must be signed by the Secretary-Treasurer and the President or Vice-President, in the absence of the President. The Secretary-Treasurer shall have custody of the seal of the Corporation and affix it as directed hereby or by resolution passed by the Board of Directors or

Members. The Board of Directors may appoint an employee as assistant or deputy secretary to assist the Secretary-Treasurer in all official duties pertaining to the office of Secretary.

The position of the Secretary-Treasurer and other positions entrusted with receipt and disbursement of funds shall be placed under a fidelity bond in an amount which shall be set from time to time, but not less than once each year, by the Board of Directors. The fidelity bond coverage amount shall approximate the total annual debt service requirements for all FmHA loans and be evidenced by a position fidelity schedule bond as acceptable to the Farmers Home Administration.

ARTICLE IV

Section 1. The board of Directors shall consist of 5 Directors, a majority of whom shall constitute a quorum.

Upon issuance of the Charter and annually thereafter on

March 12th, the Board of Directors shall elect a President, a Vice-President and a Secretary-Treasurer. The Directors shall be elected by the Members at the Members' regular meeting

provided for in Article XI of the By-Laws. The Directors shall be divided into three (3) classes, each class to be as near as equal in number as possible. The terms of the Directors of the first class shall expire at the first annual meeting of the shareholders after their election, the terms of the Directors of the second class shall expire at the second annual meeting after their election and terms of the Directors of the third class Directors of the third class shall expire at the third annual meeting after election. At each annual meeting after such

classification, the number of Directors equal to the number of the class whose term expires at the time of such meeting shall be elected to hold office until the third succeeding annual meeting. The Directors shall serve without pay, but may be compensated for actual expenses by a majority vote of directors.

Upon the death or resignation of a Director, a successor shall be elected by a majority of the existing Directors to serve until the next regular or special Membership meeting at which time the general Membership shall elect a successor for the remaining balance of the previously vacated term.

Section 2. Officers and Directors may be removed from office in the following manner except as otherwise provided in Article V: Any Member, Officer, or Director may present charges against a Director or Officer by filing such charges in writing with the Secretary-Treasurer of the Corporation. If presented by a Member, the charges must be accompanied by a petition signed by at least ten (10) percent of the Members of the Corporation. Such removal shall be voted on at the next regular or special meeting of the Membership and shall be effective if approved by a vote of 2/3 majority of those voting if a quorum is present. The Director (s) or Officer (s) against whom such charges have been presented shall be informed in writing, of such charges at least twenty days prior to the meeting, and shall have the opportunity at such meeting to be heard in person or by counsel and to present witnesses; and the person or persons presenting such charges shall have the same opportunity. If the removal of a

Director (s) is approved, such action shall also vacate any other office (s) held by the removed Director (s) in the Corporation. A vacancy in the Board thus created shall immediately be filled by a qualified person other than the removed Director upon a vote of a majority of the Members present and voting at such meeting. A vacancy in any office thus created shall be filled by the Board of Directors from among their number so constituted after the vacancy in the Board has been filled.

Section 3. The President of the Board or his designee shall preside at any meeting of the Members convened to consider removal of an Officer or Director as provided under Section 2, unless the President is the subject of charges, in which event the Vice-President shall preside. In the event both the President and the Vice-President are the subject of charges, those Directors who are not the subject of any charges shall appoint one of their number to preside over the meeting. Any meeting convened to consider the removal of an Officer or Director shall be conducted in accord with the procedures prescribed by the Credentials Committee established under the provisions of Article XI. The fact that President, Vice-President, or any other officer or Director has been made the subject of charges does not otherwise prevent such Officer from continuing to act in his capacity as an Officer or Director of the Corporation. Any Director that has been removed under the provisions of this Article shall not be precluded from subsequent election to a position on the Board of Directors.

Section 4. The Board of Directors shall adopt and maintain a conflict of interest policy designed to promote the business of the Corporation and serve the interest of the Membership.

ARTICLE V

Section 1. Regular meetings of the Board of Directors shall be held at such time and place as the Board may determine at the next previous regular meeting, and shall include posting of the meeting as required by the Texas Open Meetings Act, Section 551 of the Government Code, by furnishing the notice to the County Clerk of Bee County, Texas, and by posting such notice in a place readily convenient to the public in its administrative office at all times for at least seventy-two (72) hours preceding the scheduled time of the meeting. Such notice shall specify the date, hour, place and subject of each meeting held by the Board of Directors.

Section 2. Any Director failing to attend two (2) consecutive regular monthly meeting shall be given written notice by the balance of the Board of Directors that failure by said Director to attend a third consecutive monthly meeting, without justifiable cause acceptable to the balance of the Board of Directors, shall give rise to removal of said Director from the Board. A successor shall be elected by a majority vote of the Directors remaining to serve until the next regular or special Membership meeting, at which time the general Membership shall elect a successor for the balance of the term. If the removal of

a Director pursuant to this Section 2 occurs at an annual Membership meeting, then the successor shall be elected by a majority vote of the Membership in attendance at the meeting.

Section 3. The Board of Directors shall provide access for the public, new service applicants, or Members to the regular monthly meetings of the Board of Directors by setting aside a time for hearing of suggestions, proposals, or grievances. The Board of Directors shall establish reasonable rules for access to such meetings.

Section 4. The Board of Directors shall ensure that all meetings comply with the requirements of the Open Meetings Act, Section 551 of the Government Code, including any subsequent amendment thereto. In the event of any conflict between the provisions of these By-Laws and the requirements of the Open Meetings Act, the provisions of the Open Meetings Act will prevail.

Section 5. In conducting their duties as members of the Board, each Director (1) shall be entitled to rely, in good faith and with ordinary care, on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or the Corporation's affairs, that have been prepared or presented by one or more officers or employees of the Corporation; or by legal counsel, public accountants, or other persons retained by the Corporation for the development of professional advice and information falling within such person's professional or expert competence: (2) may believe,

in good faith and ordinary care, that the assets of the Corporation are at least that of their book value; and (3) in determining whether the Corporation has made adequate provision for the discharge of its liabilities and obligations; and may rely in good faith and with ordinary care on the financial statements of, or other information concerning, any person or entity obligated to pay, satisfy or discharge some or all of the Corporation's liabilities or obligations; and may rely in good faith on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by one or more officers or employees of the Corporation; legal counsel, public accountants, or other persons provided the Director reasonably believes such matters to fall within such person's professional or expert competence. Nevertheless, a Director must disclose any knowledge he or she may have concerning a matter in question that makes reliance otherwise provided herein to be unwarranted.

ARTICLE VI

The Corporation shall conduct its business on a non-profit basis, and no dividends shall ever be paid upon the Memberships of such Corporation. All profits arising from the operation of such business shall be annually paid to the persons who have, during the past year, transacted business with the Corporation, in direct proportion to the amount of business transacted, provided that no such dividends shall ever be paid while any indebtedness of the Corporation remains unpaid.

ARTICLE VI

The Directors of the Corporation shall establish and maintain, so long as the Corporation is indebted to the Government, in an institution insured by the State or Federal Government, or invested in readily marketable securities backed by the full faith and credit of the United State of America, a reserve account separate and apart from other fund accounts of the Corporation. There shall be deposited in such fund the sum as required by a total of all loan resolutions executed by the Corporation. Such deposits shall be made monthly and shall continue until the total amount deposited equals the sum as required by the executed loan resolutions provided, however that after any withdrawals, such deposits shall be resumed until the amount accumulated in the fund is restored to the sum as required by the executed loan resolutions.

Withdrawals may be made from this fund only upon written approval from Farmers Home Administration. Approval shall be made only for emergency repairs, obsolescence of equipment, improvements to facility, and for making up any deficiencies in revenue for loan payments.

The Directors shall invest all sums in this fund not required to be expended within the year in which the same are deposited in bonds or other evidence of indebtedness of the United States of America, or in readily marketable securities backed by the full faith and credit of the United States of America. Securities so purchased shall be deemed at all times to

be part of the reserve fund account.

ARTICLE VIII

Section 1. Every person (which includes any legal entity) owning or having a legal right to the control, possession or occupancy of property served or which may reasonably be served by the Corporation, shall have the right to become a Member of the Corporation upon payment of the Membership fee hereinafter provided and upon compliance with the Corporation's conditions of water and/or sewer service as provided for in its published charges, rates and conditions of service. Membership shall not be denied because of the applicant's race, color, creed, citizenship, or national origin. It is the intent of the Corporation to provide service on a nondiscriminatory basis to all persons desiring service to the extent that the capabilities of the system will reasonably permit.

Section 2. The Membership fee shall be \$_____. Payment of Membership fee or transfer of Membership shall entitle an applicant to further qualify for one (1) connection to the system or shall entitle a transferee of Membership to continue to qualify for service to an existing connection to the system by meeting the conditions for water and/or sewer as provided in the Corporation's published rates, charges, and conditions of service. A Person may own more than one Membership but each Member shall be entitled to only one vote regardless of the number of Memberships owned. Membership certificates shall be in such form as shall be determined by the Board of Directors.

Section 3. The Membership fee may be revised by the Board of Directors as the Board may determine to be appropriate. In determining the amount of the Membership fee, however, the Board shall ensure that the fee is sufficient to establish the potential Member as being legitimately interested in securing water service from the Corporation for such potential Member's own needs. Furthermore, the Board shall determine and administer such fee in a manner or in an amount which does not unreasonably deny service to financially deprived potential Members. In no event, however, shall the membership fee exceed an amount equal to the sum of twelve (12) charges of the Corporation's minimum monthly water rate unless previously approved by Farmers Home Administration.

ARTICLE IX

Where necessary for determining those Members entitled to notice of, or those Members entitled to vote at any meeting or any adjournment thereof, or where necessary to make a determination of members for any other proper purpose, ownership of Memberships shall be deemed to be vested in those persons who are the record owners of memberships as evidenced by the Membership transfer book on the day of the month preceding the month of the date upon which the action requiring such determination is to be taken. Nothing herein shall preclude the holder of a Membership from mortgaging such Membership, or upon notification of the Corporation, preclude the holder of such mortgages from exercising legal rights pursuant to such mortgages

upon proper notice to the Corporation.

ARTICLE X

Section 1. In order to ensure that business done by the Corporation shall continue within the capacity of its facilities and to prevent undue financial burden on the Members of the Corporation, Membership in the Corporation shall be transferred in accordance with the following:

(a) Except as herein provided, Membership in the Corporation shall be deemed personal estate and a person or entity that owns any stock of, is a Member of, or has some other right of participation in the Corporation may not sell or transfer that stock, Membership, or other right of participation to another person or entity except: (1) by will to a transferee who is a person related to the testator within the second degree by consanguinity; (2) by transfer without compensation to a transferee who is a person related to the owner of the stock or other interest within the second degree by consanguinity; or (3) by transfer without compensation or by sale to the Corporation.

(c) The transfer of stock, a Membership, or another right of participation under this section does not entitle the transferee to water or sewer service unless each condition for water or sewer service is met as provided in the Corporation's published rates, charges, and conditions of service. Water or sewer service provided by the Corporation as a result of stock, Membership, or other right of participation may be conditioned on ownership of the real estate designated to receive service and

from which the Membership or other right of participation arose.

(d) The Corporation may cancel a person's or other entity's stock, Membership, or other right of participation if the person or other entity fails to meet the conditions for water or sewer service prescribed by the Corporation's published rates, charges, and conditions of service, or fails to comply with any other condition placed on the receipt of water or sewer service under the stock, Membership, or other right of participation authorized under Subsection (c) of this section. The Corporation may, consistent with the limitations prescribed by Subsection (a) of this section and as provided in the Corporation's tariff, reassign canceled stock, or a canceled Membership, or other right of participation to any person or entity that has legal title to the real estate from which the canceled Membership or other right of participation arose and for which water or sewer service is requested, subject to compliance with the conditions for water or sewer service prescribed by the Corporation's published rates, charges, and conditions of service.

Section 2. Notwithstanding anything to the contrary hereinabove provided, the consideration for the transfer of any Membership in the Corporation from the original Members, their transferees, pledges, administrators or executors, or other persons, shall never exceed the amount of the original costs of such Membership. No gain or profit shall ever be realized from the sale or transfer of a Membership.

ARTICLE XI

Section 1. There shall be a regular meeting of the Members annually, on _____ to transact all business that may be properly brought before it. The Secretary-Treasurer shall give at least fifteen (15) days written notice of such annual meeting to the Membership indicating the time, place and purpose of such meeting, and shall address and mail the notice to each Member at the address last known to the Corporation. Failure to hold or call an annual or special meeting in accordance with these By-Laws shall give each member rights to compel the Board of Directors to properly hold an annual or Special meeting of the Membership. Voting by proxy shall be permitted. Members holding ten percent (10%) of the votes entitled to be cast, represented in person or by proxy, shall constitute a quorum for the transaction of business.

Section 2. After fixing a date for the notice of a meeting, the Board of Directors shall prepare an alphabetical list of the names of all voting members who are entitled to vote as of the record date of the meeting. The list must show the address of each voting member. Not later than two (2) business days after the date notice is given of the meeting, and continuing through the meeting, the list of voting members must be available for inspection by any member entitled to vote at the meeting for the purpose of communication with other members concerning the meeting at the Corporation's principal office or at a reasonable place identified in the meeting notice in the

city where the meeting will be held. Any voting member, or voting member's agent or attorney, shall be allowed, on written demand, to inspect and, at a reasonable time and at his expense, a copy of the list. Further, the Board shall make the list of voting members available at the meeting, and shall allow inspection of such list by any voting member or voting member's agent or attorney at any time during meeting, including any adjournments thereof.

Section 3. The Board of Directors shall establish a standing Credentials Committee of three (3) Members, of which the Secretary-Treasurer shall be the chairperson. This committee shall adopt proper procedures for conducting an annual or special Membership meeting; adopt a specific proxy form to be used in conducting an annual or special Membership meeting; adopt procedures for proper notification of the Membership of such meetings and delivery of the Corporation's proxy forms to the Membership; determine, qualify, and register the eligible voters for such meeting; validate proxies, determine presence of quorum for conducting the meeting, design ballots, canvass all votes, and institute proper recording of the results of such elections.

ARTICLE XII

Special meetings of the Directors may be held upon the posting of notice of such special meeting, in the manner provided under Article V of these By-Laws, at least two hours before the meeting is convened. It shall be the responsibility of the President or his designee to ensure that proper notice is posted.

In no event shall any special meeting of the Directors be convened where the business of such meeting could be considered at a regular meeting of the Directors receiving at least seventy-two (72) hours notice as provided under Article V of these By-Laws.

Prior to convening any special meeting of the Members, the President shall request in writing that the Secretary-Treasurer give at least ten (10) days prior notice to the Members, and that such special meeting is otherwise noticed as provided under Article V of these By-Laws. Such notice shall specify the time, place, and purpose of the meeting, and shall be addressed and mailed to each of the members at their address last known to the Corporation.

ARTICLE XIII

The business of the Corporation shall be handled under the direction of the Board of Directors by a manager to be elected by majority vote of the Board. The manager shall serve with or without compensation. The manager, with the approval of the Board of Directors, may employ, with or without compensation, such supervisory, clerical or other employees as may be required to effectively operate the business of the Corporation.

ARTICLE XIV

Notwithstanding the ownership of a Membership certificate, all Members shall be billed, disconnected, or reconnected, and otherwise shall receive service in accordance with the written policies of the Corporation, including the

tariff of the Corporation. In the event a Member should surrender his Membership certificate properly endorsed to the Secretary-Treasurer of the Corporation, the water service shall be discontinued and the obligation to pay for water service shall terminate except as for the minimum charge for the current month and the charge for water used during the current month, and except as for any prior unpaid amounts due the Corporation. In the event Membership is terminated, cancelled, withdrawn, or surrendered, whether voluntarily or involuntarily, the former Member's rights and interest in the assets of the Corporation will not be forfeited.

ARTICLE XV

Upon the discontinuance of the Corporation by dissolution or otherwise, all assets of the Corporation remaining after payment of the indebtedness of the Corporation shall be distributed among the Members and former Members in direct Proportion to the amount of their patronage with the Corporation insofar as practicable. Any indebtedness due the Corporation by a Member for water service or otherwise shall be deducted from such Member's share prior to final distribution. By application for and acceptance of Membership in the Corporation, each Member agrees that, upon the discontinuance of the Corporation by dissolution or otherwise, all assets of the Corporation transferred to that Member shall be in turn immediately transferred by the individual Member to an entity that provides a water supply or wastewater service, or both, that is exempt from

ad valorem taxation.

ARTICLE XII

The fiscal year of the Corporation shall be 1971
to 31 Dec

ARTICLE XVII

For so long as the Corporation is indebted for a loan or loans made to it by the United States of America through the Farmers Home Administration, the Corporation shall insure with a reputable insurance company such of its properties and in such amounts as is required by the State Director of the Farmers Home Administration for the State of Texas.

ARTICLE XVIII

Section 1. If at the end of the fiscal year, or in the event of emergency repairs, the Board of Directors determines the total amount derived from the collection of water charges to be insufficient for the payment of all costs incident to the operation of the Corporation's system during the year in which such charges are collected, the Board shall make and levy an assessment against each Member of the Corporation as the Board may determine or as may be required by Farmers Home Administration, so that the sum of such assessments and the amount collected from water and other charges insufficient to fully pay all costs of operation, maintenance, replacement and repayment on indebtedness for the year's operations, but this provision shall not operate for the benefit of any third party creditor other than Farmers Home Administration without a

favorable vote of the majority of the Members. Any assessments levied to make up operational deficits in any year shall be levied against Members in proportion to their patronage with the Corporation.

Section 2. In the event a Member should surrender his Membership certificate properly endorsed to the Secretary-Treasurer of the Corporation, the obligation to pay such assessments shall be limited to assessments made and levied prior to the date of surrender of the Membership certificate, provided, however, that this paragraph and the second sentence of Article XIV shall not apply to relieve a Member of his obligation under special agreements covering Multiple-Membership certificates held by one Member which may have been required or approved by the Farmers Home Administration.

ARTICLE XIX

The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Members, Board of Directors, and committees, and shall keep a record of the name and addresses of its Members entitled to vote at its registered office or principle office in Texas.

Annually, the Board of Directors shall prepare or cause to be prepared a report of the financial activity of the Corporation for the preceding year including a statement of support, revenue, and expenses and changes in fund balances, a statement of functional expenses, and balance sheets for all funds or such financial reports as required by Farmers Home

Administration. Such report shall be approved by the Board of Directors.

With prior written request, corporate records, books, and annual reports, subject to exceptions provided by the Open Records Act, Article 6252-17a, Tex. Rev. Civ. Stat., including any amendments thereto, shall be available for public inspection and copying by the public or their duly authorized representatives during normal business hours subject to a reasonable charge for the preparation of copies.

In the event of any conflict between the provisions of the Open Records Act and the provisions of these By-Laws, the provisions of the Open Records Act shall prevail.

ARTICLE XX

These By-Laws may be altered, amended, or repealed by a vote of a majority of the Members present at any regular meeting of the Corporation, or at any special meeting of the Corporation called for that purpose, except that the Members shall not have the power to change the purpose of the Corporation so as to decrease its rights and powers under the laws of the State, or to waive any requirements of bond or other provisions for the safety and security of the property and funds of the Corporation or its Members, or to deprive any Member of rights and privileges then existing, or so to amend the By-Laws as to effect a fundamental change in the policies of the Corporation. Notice of any amendment to be made at a special meeting of the Members must be given at least ten (10) days before such meeting and must set

forth the amendments to be considered. For so long as the Corporation is indebted for a loan or loans made to it by the United States of America through the Farmers Home Administration, these By-Laws shall not be altered, amended, or repealed without the prior written consent of the State Director of the Farmers Home Administration for the State of Texas.

ARTICLE XXI

The seal of the Corporation shall consist of a circle within which shall be inscribed "TYNAN WATER SUPPLY CORPORATION'.

ARTICLE XXII

The Corporation pledges its assets for use in performing the organization's charitable functions.

ARTICLE XXIII

The above By-Laws and regulations were unanimously adopted by the Membership of the TYNAN WATER SUPPLY CORPORATION, at a meeting in the _____ on the ____ day of _____, 1996.

Secretary-Treasurer

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
AUSTIN TX 73301

DATE OF THIS NOTICE: 10-08-96
NUMBER OF THIS NOTICE: CP 575 K
EMPLOYER IDENTIFICATION NUMBER: 74-2797363
FORM: SS-4 (TELE-TIN)
1817126760 0

TYNAN WATER SUPPLY CORPORATION
% JSK GROUP
PO BOX 460
SINTON TX 78387

FOR ASSISTANCE CALL US AT:
1-800-829-1040

OR WRITE TO THE ADDRESS
SHOWN AT THE TOP LEFT.

IF YOU WRITE, ATTACH THE
STUB OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER (EIN)

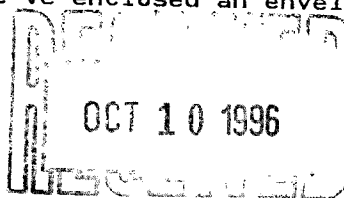
Thank you for your Tele-TIN phone call. We assigned you employer identification number (EIN) 74-2797363. This EIN will identify your business account, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

Use your complete name and EIN shown above on all federal tax forms, payments, and related correspondence. If you use any variation in your name or EIN, it may cause a delay in processing, incorrect information in your account, or cause you to be assigned more than one EIN.

If you want to receive a ruling or a determination letter recognizing your organization as tax exempt, you should file Form 1023/1024, Application for Recognition of Exemption, with your IRS Key District office. Publication 557, Tax Exempt Status for Your Organization, is available at most IRS offices and has details on how you can apply.

If you haven't already completed Form SS-4, Application for Employer Identification Number, we need you to do it now so your account record will be complete. You can get Form SS-4 at your local IRS office or by calling 1-800-TAX-FORM (1-800-829-3676). After you complete the Form SS-4, sign and date it and write your new EIN, 74-2797363, in the upper right hand corner. Please return it to us with bottom part of this notice by 10-23-96. We've enclosed an envelope for your convenience.

Thank you for your cooperation.



Keep this part for your records.

CP 575 K (Rev. 1-95)

Return this part with any correspondence
so we may identify your account. Please
correct any errors in your name or address.

CP 575 K

1817126760

Your Telephone Number Best Time to Call
() -

DATE OF THIS NOTICE: 10-08-96
EMPLOYER IDENTIFICATION NUMBER: 74-2797363
FORM: SS-4 (TELE-TIN)

INTERNAL REVENUE SERVICE
AUSTIN TX 73301

TYNAN WATER SUPPLY CORPORATION
% JSK GROUP
PO BOX 460
SINTON TX 78387

6760

Form **SS-4**
(Rev. December 1993)
Department of the Treasury
Internal Revenue Service

Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, certain individuals, and others. See instructions.)

74-2797363

EIN

OMB No. 1545-0003
Expires 12-31-96

Please type or print clearly.	1 Name of applicant (Legal name) (See instructions.) <u>Tynan Water Supply Corporation</u>	
	2 Trade name of business, if different from name in line 1 <u>same</u>	3 Executor, trustee, "care of" name <u>JFK Group, Inc.</u>
	4a Mailing address (street address) (room, apt., or suite no.) <u>P.O. Box 460</u>	5a Business address, if different from address in lines 4a and 4b
	4b City, state, and ZIP code <u>Sinton TX 78387</u>	5b City, state, and ZIP code
	6 County and state where principal business is located <u>Bee County, Texas</u>	
	7 Name of principal officer, general partner, grantor, owner, or trustee—SSN required (See instructions.) ▶ <u>ROSE BEARD</u>	

8a Type of entity (Check only one box.) (See instructions.)

<input type="checkbox"/> Sole Proprietor (SSN)	<input type="checkbox"/> Estate (SSN of decedent)	<input type="checkbox"/> Trust
<input type="checkbox"/> REMIC	<input type="checkbox"/> Plan administrator-SSN	<input type="checkbox"/> Partnership
<input type="checkbox"/> State/local government	<input type="checkbox"/> Other corporation (specify) _____	<input type="checkbox"/> Farmers' cooperative
<input type="checkbox"/> Personal service corp.	<input type="checkbox"/> Federal government/military	<input type="checkbox"/> Church or church controlled organization
<input type="checkbox"/> National guard	<input type="checkbox"/> Other nonprofit organization (specify) _____ (enter GEN if applicable)	
<input checked="" type="checkbox"/> Other (specify) ▶ _____		

8b If a corporation, name the state or foreign country (if applicable) where incorporated ▶ State TEXAS Foreign country _____

9 Reason for applying (Check only one box.)

<input checked="" type="checkbox"/> Started new business (specify) ▶ _____	<input type="checkbox"/> Changed type of organization (specify) ▶ _____
<input type="checkbox"/> Hired employees	<input type="checkbox"/> Purchased going business
<input type="checkbox"/> Created a pension plan (specify type) ▶ _____	<input type="checkbox"/> Created a trust (specify) ▶ _____
<input type="checkbox"/> Banking purpose (specify) ▶ _____	<input type="checkbox"/> Other (specify) ▶ _____

10 Date business started or acquired (Mo., day, year) (See instructions.) Nov. 1 1996 11 Enter closing month of accounting year. (See instructions.) December

12 First date wages or annuities were paid or will be paid (Mo., day, year). Note: If applicant is a withholding agent, enter date income will first be paid to nonresident alien. (Mo., day, year) _____

13 Enter highest number of employees expected in the next 12 months. Note: If the applicant does not expect to have any employees during the period, enter "0." Nonagricultural 0 Agricultural 0 Household 0

14 Principal activity (See instructions.) ▶ WATER SUPPLY

15 Is the principal business activity manufacturing? ☐ Yes ☒ No
If "Yes," principal product and raw material used ▶ _____

16 To whom are most of the products or services sold? Please check the appropriate box. ☐ Business (wholesale) ☒ Public (retail) ☐ Other (specify) ▶ _____ ☐ N/A

17a Has the applicant ever applied for an identification number for this or any other business? ☐ Yes ☒ No
Note: If "Yes," please complete lines 17b and 17c.

17b If you checked the "Yes" box in line 17a, give applicant's legal name and trade name, if different than name shown on prior application.

Legal name ▶

Trade name ▶

17c Enter approximate date, city, and state where the application was filed and the previous employer identification number if known.

Approximate date when filed (Mo., day, year)	City and state where filed	Previous EIN

Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.

Name and title (Please type or print clearly.) ▶

Business telephone number (include area code)

Signature ▶

Date ▶

Note: Do not write below this line. For official use only.

Please leave blank ▶	Geo.	Ind.	Class	Size	Reason for applying