

PROPOSED AMENDMENTS TO THE ARTICLES AND BYLAWS
(new or amended language is underlined)

Amend Article V. of the Articles of Incorporation to read as follows:

Article V.

"The amount of the capital stock of this corporation shall be Five Thousand, Five Hundred Dollars (\$5,500) and shall be divided into fifty-five shares of par value of One Hundred dollars (\$100.00) each."

Amend Article I. of the Bylaws to read as follows:

"The annual meeting of the stockholders of the Hopewell Water Company shall be held during the month of May in each year, at which time the stockholders shall elect a Board of five directors to serve for the term of three years and until their successors are elected. Board terms shall be staggered."

Amend ARTICLE VI. of the Bylaws to add a new sentence to read as follows:

"The Board may adopt, revise and amend, from time to time, reasonable rules, requirements and regulations governing the use and operation of the water system."

Amend ARTICLE VIII. of the Bylaws to add a new sentence to read as follows:

"To enable the corporation to locate, access and operate water mains, shareholders of the company shall grant water transmission easements to the company within the area immediately adjacent to public or private roadways."

Amend ARTICLE IX. of the Bylaws to read as follows:

"Each of the stockholders of this corporation shall be entitled to a tap from the water mains of the Company in the size of a one-half inch tap or such other minimum sized lawful connection, for each share of the capital stock of the corporation, such tap or taps to be at the location agreed upon by the individual and by the officers of the corporation, and all taps shall be made under direction of the officers of the corporation only, and each tap shall be provided with a cut-off valve of the style and type to be approved by the corporation. Only one dwelling may be served by each water tap."

Amend ARTICLE XIII. of the Bylaws to read as follows:

"Regular meetings of the Board of Directors of this corporation shall be held at Hopewell in Yamhill County, Oregon, not less than quarterly, of the same day of each third month, and special meetings thereto, may be called at any time by the President upon giving twenty-four hours notice to each of