

**BYLAWS
OF
NICE MUTUAL WATER COMPANY**

Amended and Restated By-Laws #3

ARTICLE I

PRINCIPAL OFFICE

The principal office for transaction of business of the Company is hereby fixed and located at Nice, in the County of Lake, State of California. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another in said County.

ARTICLE II

PURPOSE

The purpose of the Company is to acquire, hold, own, maintain and control waters from Clear Lake, or such other sources of supply the Company may hereafter acquire, and to sell, distribute and provide such water among its shareholders equally and ratably.

ARTICLE III

MEETINGS OF SHAREHOLDERS

Section 1 Annual Meetings: All annual meetings of the Shareholders of the NICE MUTUAL WATER COMPANY shall be held at its principal office, Nice, Lake County, California at 1:00 o'clock p.m. on the fourth Saturday of June of each year, or at such other place as the Shareholders may be notified as provided in section 3 of this Article, at which time there shall be elected by the Shareholders of the Corporation by ballot, members of the Board of Directors as hereinafter set forth in Section 3, Article V. The Shareholders shall also transact at that meeting such other business as may properly come before it.

Section 2 Quorum: Thirty of the Shareholders represented in person shall constitute a quorum for the transaction of business. Each Shareholder shall be entitled to one vote for each share standing in his/her name on the books of the Company.

Section 3 Notice of Annual Meeting: Written notice of each annual meeting shall be given to each Shareholder by sending a copy of the notice through the mail to each Shareholder entitled to vote, postage prepaid, to his/her address appearing on the books of the Company, or if no such address appears, at his last known place of address, at least ten days prior to the annual meeting. Notice may be given by

legal publication, in a newspaper of general circulation in Lake County, not less than ten (10) days prior to said meeting. If a quorum be not present at the annual meeting, the Shareholders represented in person may adjourn to such future time as shall be agreed upon by those present. If a quorum be present, they may adjourn from day to day as they see fit and no notice of such adjournment need be given.

Section 4 Notice of Special Meeting: A special meeting of the Shareholders may be called at any time by the president, or by the Board of Directors, or any three (3) Directors thereof, or by the holders of 25% of the outstanding shares of the Company. The secretary shall mail a notice of such call to each Shareholder of the Company, at least ten days before such meeting, and such notice shall state the time and place of such meeting and the object and general nature of the business to be transacted or such notice may be given by legal publication in a newspaper of general circulation in Lake County, not less than ten (10) days prior to said meeting.

Section 5 By-Laws Meeting: In the case of a Shareholders' meeting called to repeal, amend or adopt new Bylaws, such meetings can only be called by a quorum voting of Shareholders of record. The secretary will mail a notice of such call to each Shareholder of the Company, at least ten days before such meeting, and such notice will state the time, place, and basic intent of the proposed Bylaw repeal,

amendment, or adoption or such notice may be given by legal publication in a newspaper of general circulation in Lake County, not less than ten days prior to said meeting.

ARTICLE IV

DIRECTORS

Section 1 Powers: Subject to limitations of the Articles of Incorporation, of the Bylaws, and to the duties of Directors as prescribed by the Bylaws, all corporate powers shall be exercised by or under the authority of and the business and affairs of the Company shall be controlled by the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Directors shall have the following powers, to-wit:

First To select and remove all the other officers, agents and employees of the Company, define such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or the Bylaws; fix the compensation and require from them security for faithful service.

Second To conduct, manage and control the affairs and business of the Company, and to make such rules and regulations therefore not inconsistent with the law, with the Articles of Incorporation and the

Bylaws, as they may deem to be in the best interests of the Company.

Third To adopt, make and use a corporate seal and to prescribe the forms of certificate of stock, and to alter the form of said seal and of such certificates from time to time as in their judgment they may deem to be in the best interests of the Company, provided such seal and such certificates shall at all times comply with the provisions of law.

Fourth To authorize the issue of shares of stock of the Company from time to time, upon such terms as may be lawful, and in conformity with the Bylaws of the Company.

Fifth To borrow money and incur indebtedness for the purposes of the Company, and to cause to be executed and delivered therefore, in the Company name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation's or other evidences of debts and securities therefore.

Section 2 Number and Qualifications of Director:

The Board of Directors shall consist of seven (7) Directors. A Director must be a Shareholder with an active share, and no Director can be related to a Company employee or be an employee of the Company (except in case of an emergency). A relative is defined as “a spouse, child, parent, sibling, legal guardian, grandparent, grandchild, aunt, uncle, or member of the immediate household.”

Shareholders may recall one, or more, or all Directors by a 30% vote of the Shareholders of record.

Section 3 Election and Term of Office: All Directors shall be elected for a term of three (3) years.

Section 4 Vacancies:

First Vacancies on the Board of Directors may be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, and each Director so elected shall hold office for the unexpired term of the Director being replaced or until his successor is elected at an annual or special meeting of the Shareholders.

Second A vacancy, or vacancies, shall be deemed to exist in case of death, resignation or removal of any Director. If any Director tenders his resignation to the Board of Directors, the Board shall have the power to elect a successor to take office at such time as the resignation shall become effective. Once the resignation of a Director is accepted, it may not be withdrawn without the consent of the majority of the Directors then in office.

Third The Board may declare vacant the office of a Director who has been declared of unsound mind by a final order of a court, or convicted of a felony, or a Director may be removed for missing 2 (two) consecutive board meetings, without good cause.

Section 5 Place of Meetings: All meetings of the Board of Directors shall be held at the principal office of the Company, or at any other place within the State of California designated at any time by resolution of the Board of Directors or by written consent of all the members of the Board.

Section 6 Annual Meetings: Immediately following each annual meeting of the Shareholders, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of such meeting is hereby dispensed with.

Section 7 Other Regular Meetings: Other regular meetings of the Board of Directors shall be held without call on the third (3rd) Tuesday of each month at 7:00 p.m. of said day; provided, however, should said day fall upon a legal holiday, then said day shall be changed to the next following day thereafter ensuing which is not a legal holiday. Notice of all such regular meetings of the Board of Directors is hereby dispensed with.

Section 8 Special Meetings: Special meetings of the Board of Directors for any purpose, or purposes, may be called at any time by the president or, if he/she is absent or unable or refuses to act, majority of Directors.

Written notice of the time and place of special meetings shall be delivered to the Directors: (a) by

phone or (b) sent to each Director by letter, charges prepaid, addressed to him/her at their address as it is shown upon the records of the Company, or if it is not so shown on the records, or is not readily ascertainable, at the place in the Company office designated for each Director. In case such notice is mailed, it shall be deposited in the United States mail in the place in which the principal office of the Company is located at least 48 hours prior to the time of the holding of the meeting. In case such notice is delivered as provided in (a) herein above, it shall be so delivered at least 24 hours prior to the time of the holding of the meeting. Such mailings or delivery as above provided shall be due, legal and personal notice to each Director.

Section 9 Special Executive Meetings: May be called at any time by the president or any 2 (two) Directors. No final action or vote may be taken. A special executive meeting must be adjourned for 24 hours before a special meeting may be called in accordance with Article III Section 4, to vote and take final action. A special executive meeting is not to be misconstrued as an executive session, which may be held in conjunction with the regular monthly meeting or a special meeting.

Section 10 Waiver of Notices: The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be valid as though had at a meeting duly held after regular call and notice, if a quorum be present and if, either

before or after the meeting, each of the Directors not present signs a written waiver of notice of consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the Corporation records or made part of the minutes of the meeting.

Section 11 Quorum: A majority of the number of Directors, as fixed by the Articles or by the Bylaws, shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. 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. The president of the Company shall only vote at a special or annual meeting of the Board of Directors, or in the event there is a tie vote of the Directors then present.

Section 12 Adjournment: A quorum of the Directors may adjourn a Director's meeting to meet again at a stated day and hour; provided, however, that, in the absence of a quorum, a majority of the Directors present at any Directors meeting. If a Director's meeting is adjourned for more than 24 hours, notice of the time and place of the meeting must be given to those not present prior to the time the meeting is to resume.

ARTICLE V

OFFICERS

Section 1 Officers: The officers of the Company shall be chosen annually by the Board of Directors and each shall hold his/her office until he/she shall resign or shall be removed or otherwise disqualified to serve, or his/her successor shall be elected and qualified.

Section 2 Subordinate Officers: The Board of Directors may appoint such other officers as the business of the Company may require, each of whom shall hold office for such period, have such authority and perform such duties as provided in the Bylaws, or as the Board of Directors may from time to time determine.

Section 3 Vacancies: A vacancy of any Director because of death, resignation, removal, disqualification, or missing 2 consecutive regular monthly meetings without just cause shall be filled in a manner prescribed by the Bylaws for regular appointments of such office.

Section 4 Qualification for Office: No one shall be eligible for an executive office who is not a Director of the Corporation. Any such officer who ceases to be a Director shall cease to hold office as well.

Section 5 President: The president shall be a member of the Board of Directors and is subject to the control of the Board of Directors. The president shall have general supervision, direction and control of the business and officers of the Company. He/She shall preside at all meetings of the Shareholders and at all meetings of the Board of Directors. He/She shall have such other powers and duties as may be prescribed by the Directors or the Bylaws.

Section 6 Vice-President: The vice-president shall be a member of the Board of Directors, and may assume and perform the duties of president in the absence or disability of the president or whenever the office of president is vacated, and shall perform such other duties and have such other powers as the Board or the president shall from time to time designate.

In the event the vice-president is presiding at a meeting of the Board of Directors because of the president's absence or disability, then said vice-president's power to vote shall be limited to the same extent as the president's power to vote as more particularly set forth above in these Bylaws in Section 11 of Article IV.

Section 7 Secretary: The secretary shall oversee the following duties: keep and maintain a book of minutes at the principal office, or such other place as the Board of Directors may order, of all meetings of the Directors and Shareholders with the time and

place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Directors' meetings, the numbers of shares present or represented at Shareholders' meetings and the proceedings thereof.

Keep or maintain, at the principal office of the Company, a share register, showing the names of the Shareholders and their addressees, the number of the shares held by each, the number and date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation.

Give, or cause to be given, notice of all the meetings of the Shareholders and the Board of Directors required by the Bylaws or law to be given and he/she shall keep the seal of the Company in safe custody, and shall have such other powers and perform such duties as may be prescribed by the Board of Directors or by the Bylaws.

In the event of a vacancy in the office, the treasurer shall assume the duties of the secretary along with the duties of the treasurer until a new secretary has been duly elected as prescribed in Section 3 of this Article.

Section 8 Treasurer: The treasurer shall oversee the following duties: keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions

of the Company, including accounts of its assets, liabilities, receipts, and disbursements. The book of account shall at all times be open to inspection by any Shareholder or Director.

Deposit all monies and other valuables in the name and to the credit of the Company with such depositories as may be designated by the Board of Directors. He/She shall disburse the funds of the Company 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/her transactions as treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by the Bylaws.

Provide year-end financial statements to all Shareholders within 105 days of the close of each fiscal year.

The office of treasurer may be combined with the office of secretary, at the discretion of the Board of Directors.

The treasurer shall be bonded with Fidelity Bonds in amounts sufficient to indemnify the Company as set by resolution of the Board of Directors. In case of a vacancy in this office, the secretary shall assume the duties of the treasurer along with the duties of the secretary until a new

treasurer has been duly elected as prescribed in Section 3 of this Article.

Section 9 Compensation: The officers shall receive such salaries and other compensation as shall be determined from time to time by the Board of Directors.

Section 10 Term of Office: The term of office of the president and vice-president shall be for one (1) year but said officers may be re-elected for additional one (1) year terms by a majority vote of the Board of Directors. Said term of office shall begin at twelve noon (12:00) on the day following the annual election of Directors as provided in Section 3 of Article IV of these Bylaws. In the absence of the president, vice president, and secretary at any of the Directors' or Shareholders' meetings; the meeting shall be organized by electing a member of the Board as president pro-tem for that meeting only.

ARTICLE VI

STOCK CERTIFICATES

Section 1 Stock Certificates: The stock certificates shall be of such form and design as the Board of Directors may direct, and each certificate shall be signed by the president or vice-president and by the secretary or treasurer, and set forth on its face its number, date of issuance, the name of the member to

whom it is issued, and the legal description of the land to which the certificate is appurtenant. One share is authorized to be issued for each lot or parcel of land in the Company boundaries, and no fractional shares shall be issued. Each certificate issued to a Shareholder who is the owner of record of a lot or parcel of land in the Nice area shall set forth that such Shareholder is entitled, subject to these Bylaws, to one vote upon all matters that shall come before the Shareholders, for each lot or parcel of land or water service connection of which such Shareholder is the owner or user, or the purchaser under a contract of sale on which the hook up fees have been paid; and, shall contain a statement that the property rights and interest in the Company evidenced by said certificate shall be appurtenant to such lot or parcel of land in the Nice area and that a membership, represented by the certificate, shall be issued only to a Shareholder qualified by holding a contract for the purchase of a lot or parcel of land from the holder of record and that such Shareholder is entitled, subject to these Bylaws, to one vote upon all matters that shall come before the Shareholders, and that the ownership of such shares shall lapse and cease when such Shareholder ceases to be the holder of such contract, title or ownership thereof.

Section 2 Certificate Records: The certificate records shall contain a file for each certificate on which shall be entered the number and date of the corresponding Certificate, name and member and the legal description of the land to which the certificate is

appurtenant. The certificate of record is on file at the principal office of the Company.

Section 3 Transfer of Certificate: Ownership of the shares in the Corporation shall be transferred upon satisfactory evidence of the transfer of the ownership of all or part of a Shareholder's lot or parcel of land within the Company's boundaries to the designated transferee(s). However, in no event shall fractional shares be transferred or issued. Upon satisfactory evidence of such transfer, the certificate of the transferor shall be marked canceled on the books of the Company as to the lot or parcel of land or sites so transferred, without requiring a surrender or cancellation of the transferor's certificate, and a new certificate shall thereupon be issued to such transferee(s).

Section 4 Transfer Fee: A reasonable fee shall be established by resolution of the Board of Directors, as may from time to time be amended, for the transfer of any shares of stock or the reissue of a certificate that has been lost or destroyed.

Section 5 Eligibility of Stock Ownership:

First: Any persons owning lots in Lake County, California, more particularly described as being in the Clear Lake Villa Subdivision or any resubdivision thereof, shall be entitled to the ownership of stock in the NICE MUTUAL WATER COMPANY on the basis of not more than one share of stock for each lot

owned and that such shares shall be appurtenant to said lands; or, upon such other terms and conditions as may be set forth in resolutions adopted by the Board of Directors from time-to-time.

Second: Any person owning lots in Lake County, California, more particularly described as being in the Clear Lake Gardens Subdivision or any re-subdivision thereof and all areas included in Nice Community Service Districts, shall be entitled to the ownership of stock in the NICE MUTUAL WATER COMPANY on the basis of not more than one share stock for each lot owned and that such shares shall be appurtenant to said lands; or, upon such other terms and conditions as may be set forth in resolutions adopted by the Board of Directors from time to time.

Third: The Board of Directors may qualify other property for ownership of stock or membership and issuance of shares to the owners thereof, without further amendments to these Bylaws. To qualify other property for membership and the issuance of shares, the Board shall adopt a resolution which includes description of the property that is being qualified and such other terms and conditions as the Board may deem proper. Said shares shall be appurtenant to the described property. In order for other properties to be qualified pursuant to this paragraph, there must be five (5) affirmative votes of the Directors, not merely a majority of the quorum present at the Board of Directors meetings.

Section 6 Supply of Water to Shareholders: Water shall be sold, distributed, supplied or delivered to all owners of shares of the Company, which shares shall be appurtenant to the lands described in the certificate of share issued therefore. Water shall not be sold to anyone other than a Shareholder, except as otherwise provided in Section 330.24 of the California Civil Code.

Section 7 Successive Owners: Once a lot or parcel of property is served with water by the Company and the owner becomes a member, all future owners of that lot shall be required to be a member in the same manner as though that lot was described in the “First”, “Second”, or “Third” sections of this Article.

Section 8 Joint Ownership of Property: A member who is the owner of record of more than one lot or parcel of property may transfer membership with each lot or parcel of property transferred of record and retain membership for each lot or parcel of property not so transferred. When a lot or parcel of property is owned of record in joint tenancy, tenancy in common, or as community property, the membership as to such lot or parcel of property shall be joint, and the rights of such membership (including the voting powers arising therefrom) shall be exercised only by the joint action of all the owners of such lot or parcel of property.

Section 9 Voting Rights of Members: There shall be but one vote for each lot or parcel of property on which the hook up fees have been paid and if one person or persons own, or are buying more than one lot or parcel of property; said person or persons shall be entitled to one vote for each lot or parcel of property owned or being purchased by them on which the hook up fees have been paid. Ownership by one person or persons of several lots or parcels of property shall not confer upon said person or persons more than one vote for each lot or parcel of property on which the hook up fees have been paid. In the event the owner of record has executed a contract to purchase said lot or parcel of property with another, the person holding the contract to purchase shall be entitled to exercise his/her vote. Only if said holder of the contract to purchase does not exercise his/her vote shall the owner of record be entitled to vote as a Shareholder of this Corporation.

Section 10 Fees and Assessments: The Board of Directors shall establish by resolution, as may from time to time be amended, a schedule for the collection of charges, dues or assessments against the Shareholders or owners of lots or parcels of land served by the Company. The system of rates and charges established by the Board of Directors shall result in the accumulation and maintenance of a fund for the repair, administration, maintenance and replacement of the water supply distribution and fire protection system. Shareholders who are owners of unimproved lots included within the Company's

service area shall bear a proportionate share of the cost of repair and replacement of the water supply, distribution and fire protection system, as well as a proportionate share of the cost of maintaining the fund. The rates and charges shall bear a reasonable relationship to the cost of furnishing water and maintaining the system. Shareholders or owners of lots or parcels of land may be subject to these charges and assessments whether or not said person used the facilities of the Company so long as water service is made available to the Shareholders at all times. However, no Shareholder or owner of a lot or parcel of land shall be assessed for more than one water service connection if no such water service connections are used by him/her on that lot or parcel of land.

The Board of Directors may levy and collect the rates and charges from the Shareholders and withhold delivery of water while rates or charges are delinquent; make such rates and charges a lien against the shares; and withhold transfer of the shares subject to a lien of unpaid rates or charges. Should a Shareholder be delinquent in paying any such rates and charges, the right to receive water or dividends pursuant to such membership may be forfeited, however, those rights shall not be sold or transferred to any other persons separate and apart from the transfer of the land described in the share certificate held by any such Shareholder.

The Board of Directors may adopt, repeal, modify, and enforce rules and regulations advisable for carrying out the foregoing purposes and powers, including the manner of delivery of water, and the imposition of penalties for violation of such rules and regulations or for the failure to pay charges, rates or assessments.

Section 11 Termination: A Shareholder's ownership in the Company shall lapse and cease when such Shareholder ceases to be the owner of record of the lot or parcel of land described in the Shareholder's share certificate; or, if the Shareholder is not the owner of record of the parcel of land, then upon such Shareholder ceasing to be the holder of a contract for the purchase of any such lot or parcel of land from the record owner, or upon his ceasing to own the lot or parcel of land described in such contract.

ARTICLE VII

OPERATION OF WATER SYSTEM

Section 1 General Manager: The Board of Directors may appoint a General Manager whose duties shall consist of supervising and assisting in the installation of pipe lines, water connections and other work of the Company and shall have charge of the distribution of water and, subject to the approval of the Directors, employ all assistants and labor necessary therefore and discharge any person so employed. He/she shall

make a report to the president and Directors annually or more frequently if required to do so, setting forth the results of the operations under his/her charge, and perform such other duties as the Board of Directors may require. The pay of the General Manager shall be fixed by the Board of Directors.

Section 2 Installation of Pipe Lines, etc.: All installation of pipe lines and water service shall be made under the direction of the General Manager subject to the approval of the Board of Directors. No connections shall be made on the lines of the Company without approval of the General Manager and under his/her direction, and in accordance with the rules and regulations of the Company as fixed by the Board of Directors. No person or persons shall be entitled to use of the water from the pipelines of the Company, excepting Shareholders, or persons residing on and occupying the property of Shareholders.

Section 3 Reimbursements for Main Extensions: Shareholders who construct an extension to the Company's mains at their own expense shall be entitled to refund when other Shareholders hook up to such main extensions. The amount of the refund is to be based on a fair prorated charge, as established by written agreement between the Company and the Shareholder at the time the main extension is originally constructed.

ARTICLE VIII

WATER LINE INSTALLATION

Section 1 Purchase: When a purchaser of water from the NICE MUTUAL WATER COMPANY installs or causes to be installed, a water line, once installed, such water line, valves, and fittings will become the property of the NICE MUTUAL WATER COMPANY.

Section 2 Agreement: An agreement for the prorated costs from said installed line from “user tie-ins” must be consummated between the installer and “tie-in” user. Notice of said agreement shall be given to the NICE MUTUAL WATER COMPANY stating the amount of pro-ration due each “tie-in” user. Prior to the installation of meters on said line by the General Manager, the “tie-in” user must give evidence to the Water Company in the form of a paid receipt, showing payment of his/her prorated share to the installer, in addition to a partial or full release of lien, in a form satisfactory to the Water Company.’

ARTICLE IX

PROPERTY RIGHTS AND INTEREST

Each Shareholder in the Company shall have a proprietary interest in the Company as is represented by the ratio of the number of water service connections used by each Shareholder to the total number of water service connections in the property above described; however, such interests are and

shall be appurtenant to the respective building sites served by water service connections within said tract or which said Shareholder is the owner of record. Water shall be sold, distributed, supplied or delivered to all Shareholders, and only to Shareholders, or as otherwise provided in Section 6 of Article V of these Bylaws and as prescribed by Section 330.24 of the Civil Code of California, or as allowed by law. Shareholder certificates shall be appurtenant to any lot or parcel of land hereinafter described, when such lot or parcel is described in the Shareholder's certificate issued therefore. The land, to which said water is to be sold, distributed, supplied or delivered, is as described in Article VI of these Bylaws, and any resolutions adopted pursuant hereto.

Each Shareholder in the Corporation, by acceptance of such share agrees and grants to the Company, its directors, officers, General Manager, and/or personnel the right to enter upon the land described in the share certificate held by the Shareholder, for the purpose of inspecting, maintaining, repairing or replacing any and all parts of the Company's water system which may be located upon said Shareholder's land.

ARTICLE X

ASSESSMENTS

Section 1 Assessments: Assessments for the installation, maintenance and operation of the pipe

lines and water system shall be levied by resolution of the Board of Directors as may be from time to time amended, and any such assessments shall be delinquent thirty (30) days from the date of call thereof, mailed from the office of the Company. All delinquent payments for assessments shall be subject to such penalties as may be fixed by resolution of the Board of Directors.

The Board of Directors may levy and collect assessments on issued shares of the Company. The assessment shall be a lien upon the shares from the time of the levy. If an assessment becomes delinquent, the Company may sell or forfeit the shares against which the assessment was levied, in the manner now or hereafter provided by law, but in no event shall such shares or rights held by a delinquent Shareholder be sold or transferred without the land described in the share certificate.

Section 2 Penalties for Default in Payment of Assessments: Failure to comply with any of the Bylaws or water regulations herein set forth, or as may be hereafter ordered by the Board of Directors shall, at the option of the Board of Directors, act as a cancellation of the right to use water from the Company's system. Before any action shall be taken, however, upon any such cancellation, any Shareholder member interested shall be entitled to a hearing before the Board of Directors at a time and place to be fixed by the Board and the decision of the Board of Directors at any such hearing shall be final.

ARTICLE XI

AMENDMENTS

These Bylaws may be replaced or amended or new Bylaws may be adopted at any meeting by a quorum of 30 share holders and all share holders of record are notified.

ARTICLE XII

ANY RIGHTS OF THE CORPORATION

Any and all rights vested in the Company by these Bylaws, which rights are a lien on the real property owned by the Company or its members, are subordinate and junior to any promissory note secured by a first deed of trust, whether said deed of trust is secured by a construction loan, conventional permanent loan, Federal Housing Administration insured loan or Veterans Administration insured loan.

ARTICLE XIII

CERTIFICATE OF OFFICERS

We, the undersigned, do hereby certify:

1. That we are respectively, the duly elected President and Secretary of the NICE MUTUAL WATER COMPANY, a California Corporation.

2. That the foregoing Bylaws comprising
Twenty seven (27) pages constitute the Bylaws
of the Company as duly adopted on the
20th day of August, 2013.

IN WITNESS THEREOF, we have hereunto
subscribed our names and affixed the seal of
this Company on the 20th day of August, 2013.

Signature
PRESIDENT: _____

Signature
SECRETARY: _____

Witnessed by: Signature _____