

## 124. By-Laws

### ARTICLE I:

#### *General Purpose*

The purposes for which this corporation is formed, and the powers which it may exercise are set forth in the Articles of Incorporation of the corporation.

### ARTICLE II:

#### *Name and Location*

Section 1. The name of this corporation is the Oktoc Community Water Association, Inc.

Section 2. The principal office of this corporation shall be located at Gentry's Store, Route 1, Starkville, Oktibbeha County, within the State of Mississippi.

### ARTICLE III:

#### *Seal*

The corporation shall have an appropriate seal sufficient to comply with the laws of the State of Mississippi which shall be used by causing it to be impressed or affixed or reproduced or otherwise. Said seal shall remain in the custody of the Secretary of the corporation.

### ARTICLE IV:

#### *Fiscal Year*

The Fiscal year of the corporation shall begin on the 1<sup>st</sup> day of July in each year.

### ARTICLE V:

#### *Membership*

Section 1. The holders of membership certificates of this corporation are its members. Any bona fide occupant of a farmstead or rural residence having reasonable accessibility to the source of and who is in need of having water supplied for domestic, live-stock and garden purposes from the water system operated by the corporation and who received the approval of the Board of Trustees may be admitted to membership by signing such agreements for the purchase of water as may be provided and required by the corporation; provided that no person otherwise eligible shall be permitted to subscribe for or acquire a membership of the corporation if the capacity of the corporation's water system is exhausted by the needs of its existing members. The membership fee shall be \$\_\_\_\_\_.

Section 2. In case of the death of a member or if a member ceases to be eligible to hold membership as provided in Section 1, or willfully fails to comply with these by-laws and other requirements, or willfully obstructs the purposes and proper activities of the corporation, the corporation, through the Board of Trustees, may elect to terminate his membership. Any member whose membership is so terminated for cause may appeal from the action of the Board of Trustees to a vote of the members at the next regular meeting of the members or special meeting of the members called for such purpose.

## ARTICLE VI:

### *Membership Certificates*

Section 1. This corporation shall not have capital stock and membership in the corporation shall be represented by membership certificates. Such certificates shall only represent the right to use and enjoy the benefits of the corporations water supply system upon the further payment of reasonable charges based upon such use.

Section 2. The membership certificate shall be issued to each holder of fully paid membership, numbered consecutively in accordance with the order of issue, and bear its face the following statements:

- 1) This membership certificate, No. \_\_\_\_\_ is issued and accepted in accordance with and subject to the conditions and restrictions stipulated in the Articles of Incorporation and By-Laws and amendments to the same of the Oktoc Community Water Association, Inc.
- 2) No member of this corporation shall be entitled to more than one vote at meetings of the members or to hold more than one of the membership certificates of the corporation. Every member agrees to sign such agreement for the purpose of water from the corporation as may from time to time be provided and required by the corporation.
- 3) Membership certificates shall not be transferable.

Section 3. The membership certificate shall be cancelled upon the death of a member, or in case membership in the corporation is terminated for any other cause as provided in the by-laws, and such loss of membership by death or otherwise shall terminate all interest of such member in the corporation's assets; provided, that upon death of a member and cancellation of the deceased's membership certificate, his surviving spouse or other family member desiring to continue such family's membership upon the issuance of a new membership certificate to the survivor, without additional membership fee.

## ARTICLE VII:

### *Meeting of Members*

Section 1. The annual meeting of the members of this corporation shall be held at the Oktoc Community Club building, County of Oktibbeha, State of Mississippi at 7:30 p.m., on the first Monday in October of each year, if not a legal holiday or if a legal holiday on the next business day following.

Section 2. Special meetings of the members may be called at any time by the action of the Board of Trustees and such meetings must be called whenever a petition requesting such meeting is signed by at least ten percent of the members and presented to the Secretary of the Board of Trustees. The purpose of every special meeting shall be stated in the notice thereof, and no business shall be terminated thereat except such as is specified in the notice.

Section 3. Notice of meetings of members of the corporation may be given by a notice mailed to each member of record, directed to the address shown upon the books of the corporation, at least 10 days prior to the meeting. Such notice shall state the nature, time, place and purpose of the meeting, but no failure or irregularity of notice of any annual meeting, regularly held, shall affect any proceedings taken thereat.

Section 4. The members present at any meeting of the members shall constitute a quorum at any meeting of the corporation for the transaction of business. The voting powers of the members of this corporation shall be equal, each member shall have one vote only, and no voting by proxy shall be allowed.

Section 5. Trustees of this corporation shall be elected at the annual meeting of the members.

Section 6. The order of the business at the regular meetings and so far as possible at all other meetings shall be:

- 1) Calling to order and proof of quorum
- 2) Proof of notice of meeting
- 3) Reading and action of any unapproved minutes
- 4) Repots of officers and committees
- 5) Election of Trustees
- 6) Unfinished business
- 7) New business
- 8) Adjournment

#### ARTICLE VIII:

##### *Trustees and Officers*

Section 1. The Board of Trustees of this corporation shall consist of \_\_\_\_\_ members, all of whom shall be members of the corporation. The incorporators names in the Articles of Incorporation shall serve as trustees of the corporation until the first annual meeting of the members or until successors are elected and qualified. At the first

annual meeting of the members, one trustee shall be elected for a term of one year; two trustees for a term of two years; and two trustees for a term of three years. At each annual meeting thereafter, the members shall elect for a term of three years the number of trustees whose terms of office have expired.

Section 2. The Board of Trustees shall meet within 10 days after the first election and within 10 days after the annual election of trustees and shall elect by ballot a President and Vice-President from among themselves and a Secretary and Treasurer, each of whom shall hold office until the next annual meeting and until the election and qualification of his successor unless sooner removed by death, resignation or for cause.

Section 3. If the office of any trustee becomes vacant by reason of death, resignation, retirement, disqualification or otherwise, except by removal from office, a majority of the remaining trustees, through less than quorum shall, by majority vote, choose a successor who shall hold office until the next regular meeting of the members of the corporation, at which time the members shall elect a trustee for the unexpired term or terms, provided that in the call of such regular meeting a notice of such election shall be given.

Section 4. A majority of the board of trustees shall constitute a quorum at any meeting of the board.

Section 5. Compensation of officers may be fixed at any regular meeting or special meeting of the members of the corporation. Trustees shall receive no compensation for services as such.

Section 6. Officers and trustees may be removed from office in the following manner; any member, officer or trustee may present charges against a trustee or officer by filing them in writing with the Secretary of the corporation. If presented by a member, the charges must be accompanied by a petition signed by ten percent of the members of the corporation. Such removal shall be voted on at the next regular or special meeting of the members of the corporation and shall be effective if approved by a vote of a majority of the members. The trustee or officer against whom such charges have been presented shall be informed, in writing, of such charges five 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 against him shall have the same opportunity. If removal of a trustee is approved, such action shall also vacate any other office held by the removed trustee in the association. A vacancy in the board thus created shall immediately be filled by the trustees from among their number so constituted after the vacancy in the board has been filled.

## ARTICLE IX:

### *Duties of Trustees*

Section 1. The Board of Trustees, subject to the restrictions of law, the Articles of Incorporation, or these by-laws, shall exercise all the powers of the corporation, and, without prejudice to or limitations upon their general powers, it is hereby expressly provided that the board of trustees shall have, and are hereby give, full power and authority (to be exercised by resolution adopted by a majority vote of all members) in respect to the matters and as hereinafter set forth:

- 1) To pass upon all qualifications of members, and to cause to be issued appropriate certificates of membership.
- 2) To select and appoint all officers, agents or employees of the corporation or remove such agents or employees of the corporation for just cause, prescribe such duties and designate such powers as may not be inconsistent with these by-laws, fix their compensation and pay for faithful service.
- 3) To borrow from any source, money, goods or services and to make and issue notes or other negotiable and transferrable instruments, mortgages, deeds of trust and trust agreements and to do every act and thing necessary to effectuate the same.
- 4) To prescribe, adopt and amend, from time to time such equitable uniform rules and regulations as, in their discretion, may deemed essential or convenient for the conduct of the business and affairs of the corporation and the guidance and control of its officers and employees, and to prescribe adequate penalties for the breach thereof.
- 5) To order, at least one each year, an audit of the books and accounts of the corporation by a competent public auditor or accountant. The report prepared by such auditor or accountant shall be submitted to the members of the corporation at their annual meeting.
- 6) To fix the charges to be paid by each member for services rendered by the corporation to him, the time of payment and the manner of collection.
- 7) To require all officers, agents and employees charges with the responsibility for the custody of any of the funds of the corporation to give adequate bonds, the cost thereof to be paid by the corporation, and it shall be mandatory upon the trustees to so require.
- 8) To select one or more banks to act as depositories of the bonds of the corporations and to determine the manner of receiving, depositing, and disbursing the funds of the corporation and the form of checks and the person or persons by whom the same shall be signed with the power to change such banks and the person or persons signing such checks and the form thereof at will.
- 9) To levy such assessments against members of the corporation and to enforce the collection of such assessments by the forfeiture of delinquent memberships. The Board of Trustees shall have the option to declare forfeited any membership on which assessment has not been paid, at any time after ninety days from the date the assessment was due, provided that the corporation must give the member at least 30 days written notice at the address of the member on the books of the corporation, of its intention to forfeit the membership if the assessment is not paid.

## ARTICLE X:

### *Duties of Officers*

Section 1. Duties of the President: The president shall preside over all meetings of the corporation and the Board of Trustees, and special meetings of the board of trustees, perform all acts and duties usually performed by an executive and presiding officer, and sign all membership certificates and such other papers of the corporation as he may be authorized or directed to sign by the board of trustees, provided, the board of trustees may authorize any person to sign any or all checks, contracts and other instruments in writing on behalf of the corporation. The president shall perform such other duties as may be prescribed by the board of trustees.

Section 2. Duties of the Vice-President: In the absence of the president, the vice-president shall perform the duties of the president; provided, however, that in case of death, resignation or disability of the president, the board of trustees may declare the office vacant and elect his successor.

Section 3. Duties of the Secretary-Treasurer; the secretary-treasurer shall keep a complete record of all meetings of the corporation and of the board of trustees and shall have general charge and supervision of the books and records of the corporation. He shall sign all water users' agreements with the president and such other papers pertaining to the corporation as he may be authorized or directed to do so by the board of trustees. He shall serve all notices required by law and these by-laws and shall make a full report of all matters and business in which pertain to his office to the members at the annual meeting. He shall keep the corporate seal and membership records, records of the corporation, complete and countersign all certificates issued, and affix said corporate seal to all papers requiring seal. He shall keep a proper membership agreement record, showing the name of each member of the corporation and date of issuance, surrender, cancellation or forfeiture. He shall make all reports required by law and shall perform such other duties as may be required of him by the corporation or the board of trustees. Upon the election of his successor, the secretary-treasurer shall turn over to him all books and other property belonging to the corporation that he may have in his possession. He shall also perform such duties with respect to the finance of the corporation as may be prescribed by the board of trustees.

## ARTICLE XI:

### *Benefits and Duties of Members*

Members of the association shall be entitled to receive such benefits from the association under terms, conditions, rules and regulations to be promulgated by a vote of the trustees. The trustees shall have the right to prescribe the conditions and purposes for which water may be used, including the right to restrict the amount which any member may use. They also shall have the power to fix the charges for water, to set the method and manner of payment, and to prescribe penalties for non-payment. It is expressly understood that the membership fee shall under no

circumstances be refundable but a membership may be transferred upon the transfer of property, all in accordance with rules and regulations to be formulated by the board of trustees and approved by the Mississippi Public Service Commission.

#### ARTICLE XII:

##### *Distribution of Surplus Funds*

It is not anticipated that there will be any net income. If there should be any, then at the end of the fiscal year, after paying expenses of the corporation for operation and otherwise, and after setting aside reserves for depreciation and all buildings, equipment and office fixtures and such other as the board of trustees may deem proper and after providing for payments on interest and principal of obligations and amortized debts of the corporation, and after providing for the purchase of proper supplies and equipment, the net earning shall be accumulated in a surplus fund for the purpose of replacing, enlarging, extending, and repairing the system and property of the corporation and for such other purposes as the board of trustees may determine to be for the best interest of the corporation.

#### ARTICLE XIII:

##### *Amendments*

These by-laws may be repealed or amended 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 purposes of the corporation so as to decrease its rights and powers under the laws of the state, or to waive any requirement 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 than 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 days before such meeting and must set forth the amendments to be considered.