

**BY-LAWS
OF
THE TWIN LAKES RESERVOIR AND CANAL COMPANY**

[ADOPTED June 11, 2021]

(INCLUDING ALL AMENDMENTS ADOPTED PRIOR TO July 17, 2012)

OFFICERS.

Section 1. General. Election and Term of Office. The officers of this Company shall consist of a President, Vice-President, General Manager, Secretary, Assistant Secretary and Treasurer, and such additional officers as the Board of Directors may authorize, who shall be chosen annually by the Board of Directors at their first meeting following the annual meeting of the stockholders in each year. They shall be elected by and from the Board of Directors, except the General Manager, the Secretary and the Assistant Secretary, who may or may not be Directors. Said officers shall hold their respective offices until their successors are elected or appointed and enter upon the duties of their offices. The offices of Secretary and General Manager may be held by the same person.

Section 2. Vacancies. Vacancies in such offices may be filled by the Board of Directors at any time.

Section 3. President. It shall be the duty of the President to preside at all meetings of the Directors, to sign all bonds, deeds, leases, agreements or other instruments of writing made or entered into by or on behalf of the Company and to sign all certificates of stock, which shall also be signed by the Secretary.

The President shall exercise a general supervision over the entire business of the Company and each department thereof, and shall, in general, have all the powers and perform all the duties usually incident to the office of President of like companies.

Section 4. Vice-President. It shall be the duty of the Vice-President to perform all such duties and functions as belong to the office of President in the absence of the President or his inability to act, and to perform such other duties as the Board of Directors may, from time to time, in writing direct.

Section 5. General Manager. The General Manager shall have the immediate supervision of and control over the canals, reservoirs and other property of the Company, and shall supervise and direct the flow of water in the canals and the storage of water in the reservoirs and the distribution of all waters among the Company's stockholders; and he shall exercise such other powers, and perform such other duties as the Board of Directors may, from time to time, confer upon him.

Section 6. Secretary. It shall be the duty of the Secretary to give notice of all meetings of the stockholders and of the Board of Directors. He shall prepare and keep proper books of record and of account of the business of the Company, and such other books and records as the Board of Directors may, from time to time, prescribe. He shall sign and register all certificates of stock and other documents requiring the signature of the president, and shall attach the corporate seal of the Company to all instruments requiring a corporate seal; he shall perform all such other duties as are incidental to his office; and he shall be the custodian of the corporate seal and of all the books, records and papers belonging to the Company.

The Secretary shall give bond with some responsible bonding company satisfactory to the Board of Directors for the faithful performance of his duties, which bond shall be approved by the Board of Directors and filed with the Treasurer, and shall be in the amount of not less than Ten Thousand Dollars (\$10,000), in such an amount as the Board of Directors may, from time to time, determine; the cost of such bond to be paid out of the treasury of the Company.

Section 7. Assistant Secretary. The Assistant Secretary shall act in the absence, disability or vacancy in office of the Secretary, and shall, during such absence, disability or vacancy in office, perform all the duties imposed upon the secretary by these By-laws.

The Assistant Secretary shall, when required by the Board of Directors, give bond with some responsible bonding Company satisfactory to the Board of Directors for the faithful performance of his duties, which said bond shall be approved by the Board of Directors and filed with the Treasurer and shall be in such sum or in such an amount as the Board of Directors may, from time to time, determine; the cost of such bond to be paid out of the treasury of the Company.

Section 8. Treasurer. The Treasurer shall be custodian of the funds, securities and other like assets of the Company until the same be disposed of by order of the Board of Directors. He shall receive and receipt for any and all moneys paid to the Company, and make daily deposits thereof to the credit of the Company in such depositories as may be designated by the Board of Directors, taking duplicate deposit slips therefor; he shall draw and attest all checks and orders for the payment of moneys, the same having first been authorized and directed by the Board of Directors; and he shall perform all such other duties as are incidental to his office. The Treasurer may be required to give bond with some responsible bonding company, in such amount as may be fixed by the Board of Directors, for the faithful performance of his duties, which bond shall be approved by the Board of Directors and filed with the Secretary; the cost of such bond when given, to be paid out of the treasury of the Company.

At the expiration of his term of office, he shall turn over to his successor all moneys and effects belonging to the company, making a full and detailed statement of the same. If he is his own successor, he shall give a new bond.

BOARD OF DIRECTORS

Section 9. General. The Board of Directors shall consist of five members, always including the President, Vice-President and Treasurer. Directors must be residents of Colorado but need not be stockholders of the Company. It shall be the duty of the Board of Directors to exercise a general supervision over the affairs, officers, employees and agents of the Company, to receive and pass upon the reports of the Secretary, Treasurer and General Manager; and also to audit all bills and accounts against the Company, and authorize and direct the disbursement of money, and to direct the Secretary in correspondence. The Board of Directors shall cause its various officers to make full reports on the Company's activities, from time to time, and to prepare written reports with submission to the annual meeting of stockholders.

Section 10. Meetings. *{Adopted March 8, 1995, Amended May 11,2006}* Regular meetings of the Board of Directors shall be held within the State of Colorado at the place specified in the notice of said meetings, on the second Friday (Amended July 14, 2011) in each and every month at the hour of 10:30 A.M., unless such monthly meeting is deemed unnecessary and canceled by consent of the GM and President. Special meetings of the Board of Directors may be held at any time, at the place within the State of Colorado and time designated in the call for such special meeting. Special meetings may be called by the President or by any two members of the Board, by giving not less than twenty-four (24) hours notice thereof either personally or by mail.

Meetings of the Board of Directors may also be held at any time or at any place within the State of Colorado without notice; PROVIDED, that all members of the said Board of Directors can, by signing the

minutes of any such meeting of the Directors, assent to and ratify the same as if said meeting had been regularly called and he or she had been present at and participating in the proceedings of said meetings. Both regular and special meetings of the Board of Directors may be held via electronic communication such as video or telephone conferencing. Individual directors may also attend an in-person meeting of the Board of Directors via electronic communication.

Section 11. Quorum. A majority of the number of Directors fixed by Section 9 shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 12. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 13. Presumption of Assent. A Director of the Company who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Company within two (2) days after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 14. Executive Committee. The Board of Directors, by resolution adopted by the affirmative vote of four-fifths of the Directors fixed by section 9, may designate two or more Directors to constitute an executive committee which shall have and may exercise all of the authority of the Board of Directors or such lesser authority as may be set forth in such resolution. No such delegation of authority shall operate to relieve the Board of Directors or any member thereof from any responsibility imposed by law.

Section 15. Informal Action by Directors. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Directors, and may be stated as such in any articles or document filed with the Secretary of State of Colorado under the Colorado Nonprofit Corporation Act.

Section 16. Salaries of Directors and Officers. *{Adopted March 11, 1986}* The Directors and officers of the Company shall receive such compensation for their services as authorized by resolution of the Board of Directors, such compensation to be commensurate with compensation paid directors and officers of water and canal companies or water districts of a similar nature. In addition, the Directors and Officers of the Company shall receive the actual expense incident to the attendance at such meetings or the performance of such duties.

STOCKHOLDERS' MEETINGS

Section 17. Annual and Special Meetings. *{Adopted March 11, 1986}* The annual stockholders' meeting of the Company shall be held at its office in the Town of Ordway, Colorado, at the hour stated in the notice, on the fourth Monday in January, beginning with the year 1951, and on the same Monday of each succeeding year thereafter. The annual stockholders' meeting may be rescheduled or held by remote electronic communication if the Board of Directors determines that unusual circumstances cause an in-person meeting on the appointed date to be unsafe or infeasible. If for any reason such meeting shall not be held on said date, the Directors then in office shall hold over until their successors are elected. Written

notice shall be given of all stockholders' meetings, either by delivering the same personally or by mailing the same enclosed in an envelope, sealed and properly addressed to each stockholder at his last known post office address, with postage prepaid, at least (30) thirty days prior to the date fixed for such meetings; and by publishing notice thereof in one daily or weekly paper published in the Town of Ordway, Colorado, the first insertion being not less than (10) ten days prior to the date fixed for such meeting. PROVIDED that, in the event that a share or shares of stock are held in the name of more than one person, only the name first listed on the stock certificate is to be notified of the meeting, and the other named stockholders hereby acknowledge and waive the right of notice as provided herein, this acknowledgment and waiver to take effect upon transfer of any share or shares of stock, or the issuance of new stock in the Company, and shall not be effective as to presently outstanding shares until transferred after the effective date of the Amendment.

Special meetings of the stockholders may be called and notice thereof given in the manner as by law provided.

Section 18. Closing of Transfer Books or Fixing of Record Date. For the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or in order to make a determination of stockholders for any other proper purposes, the Board of Directors may provide that the stock transfer books shall be closed for any stated period not exceeding (50) fifty days. If the stock transfer books shall be closed for the purpose of determining stockholders entitled to notice of or to vote at a meeting of stockholders, such books shall be closed for at least (10) ten days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of stockholders, such date in any case to be not more than (50) fifty days and, in case of a meeting of stockholders, not less than (10) ten days prior to the date on which the particular action, requiring such determination of stockholders, is to be taken. If the stock transfer books are not closed and no record date is fixed for the determination of stockholders entitled to notice of or to vote at a meeting of stockholders, the date on which notice of the meeting is mailed shall be the record date for such determination of stockholders. When a determination of stockholders entitled to vote at any meeting of stockholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

Section 19. Voting Lists. The officer or agent having charge of the stock transfer books for shares of the company shall make, at least (10) ten days before each meeting of stockholders, a complete list of the stockholders entitled to vote at such meeting, or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares of stock of the company held by each, which list, for a period of (10) ten days prior to such meeting, shall be kept on file at the principal office of the Company and shall be subject to inspection by any stockholder entitled to vote at such meeting at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any stockholder during the whole time of the meeting. The original stock transfer books shall be prima facie evidence as to who are the stockholders entitled to examine such list or transfer books or to vote at any meeting of stockholders.

Section 20. Quorum. A majority of the shares entitled to vote of the stock of the Company, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders. If less than a majority of shares entitled to vote of the stock of the Company are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time for a period not to exceed (60) sixty days at any one adjournment without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 21. Voting of Shares by Certain Holders. Neither treasury shares, nor shares of its own stock held by the Company in a fiduciary capacity, nor shares held by another corporation if the majority of the shares entitled to vote for the election of directors of such other corporation is held by this

Company, nor shares on which assessments are past due and unpaid and as to which forfeiture has been declared, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time.

Shares standing in the name of another corporation may be voted by such officer, agent or proxy as the By-Laws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors or City Council of such corporation may determine.

Shares held by an administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name

Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

Section 22. Informal Action by Stockholders. Any action required to be taken at a meeting of the stockholders, or any action which may be taken at a meeting of the stockholders, may be taken without a meeting if a consent in writing, setting forth the action so taken shall be signed by all of the stockholders entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the stockholders, and may be stated as such in any articles or document filed with the secretary of State of Colorado under the Colorado Nonprofit Corporation Act.

Section 23. Proxies. Stockholders may be represented by proxy in writing, which must be submitted to, and filed with, the secretary of the meeting before such proxy shall be allowed to vote.

DELIVERY OF WATER

Section 24. Delivery to Stockholders, etc. Each share of the Common Stock of the Company shall entitle the holder thereof to the delivery of his proper proportion of the water diverted, collected or stored by the Company less his evaporation and transportation losses to the point of delivery, subject always, to the regulations and provisions of the Articles of Incorporation, By-Laws and other proper regulations of the Company, and the laws of the State of Colorado relating thereto.

The use of Company owned west slope water storage, conveyance, and delivery facilities and capacities by any stockholder is limited to the stockholder's pro-rata share. A stockholder may make use of the Company's west slope facilities and capacities in an amount greater than their pro-rata share to the extent such is not required or called for by another stockholder.

Section 25. Defaulting Stockholders Not Entitled To Water. *{Adopted March 11, 1986}* No stockholder who shall become in arrears in the payment of any regular or special assessment shall receive or be entitled to receive any water of the Company. The Company in addition shall have the authority to suspend the right of water entitlement of any stockholder who fails to pay any assessment in a timely manner, after notice as provided in the Articles of Incorporation, up to a period of (5) five years from the date of default. The Board of Directors or Manager of the Company is authorized to shut down the headgate or other diversion device of such stockholder so in arrears until such arrearages shall have been fully paid. *{Adopted July 16, 2012}* For any assessments not paid by the annual due date set by the Board of Directors, there will be an administrative fee of Twenty dollars and/or an interest charge (at a rate fixed by the Board of Directors), whichever is greater. The administrative fee and the interest will be included in the assessment and thus, no water will be delivered until the assessment including administrative fees and interest is paid in full.

FEES AND ASSESSMENTS

Section 26. Voting of Assessments. Assessments shall be levied from time to time on the capital stock of the Company, to be levied pro rata on all the shares of stock of the company, payable in money, for all or any one or more of the purposes mentioned in the Articles of Incorporation and all Amendments thereto, by submitting the question of making such assessment to the stockholders of at an annual meeting, or at any special meeting called for that purpose; PROVIDED that unless otherwise required by the Articles of Incorporation, the holders of a majority of shares of stock voting thereon shall, either in person or by proxy, vote in favor of making such assessment. Assessments so voted may be made to be thereafter payable in full or in installments, in such amounts and at such time or times as the holders of a plurality of the shares voting thereon shall determine at such meeting.

Section 27. Notice of Proposed Assessments. In all cases where the question to levying an assessment on the stock of the Company is to be voted on, either at an annual or at any special stockholders' meeting, a statement shall be embodied in the notice of such meeting required by section 17 of these By-Laws that the amount of and due date for an assessment is to be determined at such meeting.

Section 28. Notice of Approved Assessments. The Secretary shall notify the several stockholders of any assessment having been made, the amount thereof and the time when the same, or any installment thereof, shall become due and payable, and demanding payment thereof, by written or printed notice and demand, either delivered in person or duly mailed to the last known address of the stockholders, respectively; PROVIDED, that no assessment or installment of any assessment shall become due or payable sooner than (15) fifteen days after the serving or mailing of the notice and demand. Assessments shall draw interest from the time the same become due and payable, or from such time thereafter as the Board of Directors may determine, at the rate of ten percent per annum, which interest shall be chargeable against the stock assessed.

Section 29. Forfeiture of Stock; Notice of Sale. *{Amended January 28, 2002}* Whenever any stockholder shall fail to pay any assessment in full, or any installment of any assessment, or any stockholder fee, when the same becomes due and payable, as provided in any notice and demand given pursuant to Section 28 or 33 of these By-Laws his stock shall be subject to forfeiture, as herein provided. At any time after such failure the Secretary may make demand for payment thereof by written or printed notice and demand either served or delivered in person or by duly mailing the same to the last known

address of the stockholder, at least (30) thirty days prior to the time when such default is to be declared; and if such assessment or installment mentioned in such notice and demand, together with any accrued interest and penalties thereon, shall not be paid within (30) thirty days next after such personal notice or after the mailing thereof as above stated, the Board of Directors at any time thereafter may declare such stock in default and shall, not earlier than (2) two years after the declaration of default shall have been adopted, order the sale thereof for the purposes of paying such assessment or installment, together with interest and expenses of forfeiture and sale; and, upon such order of forfeiture and sale being made, the Secretary shall prepare and sign a notice of sale, which notice shall refer to the stock to be sold by date and number of the certificate and number of shares, and shall state that such stock has been ordered forfeited and sold by the Board of Directors for the payment of such assessment or installment with interest and other charges thereon, and shall designate the time, place and manner of the public sale, which notice shall be published in a public newspaper published in the county of Crowley or if there is no such newspaper in a public newspaper published in the County of Pueblo, at least once a week for not less than two. weeks prior to the date of sale; and the Secretary shall mail a written notice of such of such sale to such delinquent stockholder at his last known post office address at least 30 days prior to the date of the sale.

Section 30. Manner of Sale, etc. All sales of forfeited stock provided for in these By-Laws shall be at public auction held either at the office of the Company or at such other place as may be designated in the order or notice of sale, and such public auction shall be conducted by any officer of the Company, or any other person designated by the Board of Directors, and all proceeds thereof over and above the amount due on the stock sold, including interest, penalties and costs and expenses of forfeiture, notice and sale chargeable against such stock shall be paid to the delinquent stockholder.

Section 31. Issuance of New Certificates, etc. Six months after any sale of forfeited stock a new certificate or certificates of stock may be issued to the purchaser or purchasers of the stock so sold, with a memorandum written across the face thereof, describing the certificate or certificates of stock forfeited and sold, by certificate number, date and number of shares, the date of the order of forfeiture and date of sale; and thereafter neither such defaulting stockholder, nor his successors, administrators, heirs or assigns, shall have any right, title or interest whatever, either in law or equity, in and to such forfeited stock, or any part thereof.

Section 32. Stockholder Fee. *{Added January 28, 2002}* In addition to annual assessments upon each share of the capital stock of the Company, each stockholder shall pay a fee annually to be set by the Board of Directors, to offset Company costs associated with stockholder record keeping, notices, meetings, etc. The fee shall be billed as a separate charge upon the first installment (if assessments are payable in installments) of each stockholder's annual stock assessments.

NOTICES AND RECORDS

Section 33. Certificate as to Notices, etc. The certificate of the Secretary entered of record on the record book of the Company showing personal service of any notice and demand or of mailing any notice and demand or of having published any notice and demand, required by these By-Laws, shall constitute and be prima facie evidence of the facts contained in such certificate and shall be sufficient to authorize the order of forfeiture of stock as herein provided. The secretary shall obtain and keep on file as a part of the records of the Company a copy of each notice published in any newspaper pursuant to these By-Laws, together with the certificate or affidavit of the publisher as to the publication thereof.

Section 34. Access to Records. All books and records of the Company shall be open to the inspection of all stockholders of the Company during usual business hours.

CERTIFICATES OF STOCK

Section 35. General. *{Adopted November 13, 1996}* Certificates of stock in the Company shall be issued, accepted and held subject to the Articles of Incorporation and Bylaws, as such Articles and Bylaws shall be amended from time to time, and the laws under which the Company is organized, and shall be subject to assessments as authorized by law and provided in the Articles of Incorporation and Bylaws. The certificates shall be numbered consecutively and registered as they are issued.

Transfers of Stock. *{Adopted November 13, 1996}* Transfers of stock shall be made upon the books of the Company, either in person, or by attorney, only upon surrender of the original certificate, properly endorsed, and upon payment of the transfer fee fixed by the Board of Directors from time to time; provided, that no transfer shall be made until all assessments, interest, and charges due or authorized upon the stock have been paid.

Involuntary Transfers. *{Adopted Nov. 13, 1996}* An “involuntary transfer” shall include a transfer of stock that is effected in order to satisfy a debt of the stockholder that has been collateralized or secured by the stock. The Company shall have no obligation to effect a transfer of stock if it concludes that the transfer is an involuntary transfer and that the method used to effect such involuntary transfer is not a method recognized under Colorado law as valid to effect an involuntary transfer of real property.

Lost or Destroyed Stock Certificates. *{Adopted July 12, 2000}* In the case of a lost, mislaid, or destroyed certificate, a duplicate certificate may be issued in lieu thereof upon the stockholder furnishing:

1. Proof of ownership of the stock satisfactory to the Board;
2. Proof of the loss, misplacement, or destruction of the certificate satisfactory to the Board (which proof shall include a statement under oath that the stock is the property of the person making such statement; that the certificate has been lost, misplaced, or destroyed; and that the stock has not been transferred, pledged, mortgaged, or hypothecated); and
3. A bond with sureties satisfactory to the Board in such penal sum as the Board may decide, indemnifying the Company from loss on account of the reappearance of the lost, misplaced, or destroyed certificate.

In the alternative, a stockholder may avail itself of the statutory procedure for issuance of duplicate stock certificates set forth in the Colorado Ditch and Reservoir Companies Statute, C.R.S. 7-42-101 et seq.

Transfers by Beneficiary Deed. *{Added March 8, 2006}* Section 15-15-402 of the Colorado Revised Statutes authorizes the owner of real property to effect a transfer of said property upon his or her death through the execution and recording of a beneficiary deed. The Company recognizes that shares in a mutual ditch company, as real property, may therefore be conveyed upon the death of the owner by means of a beneficiary deed. Conveyance by beneficiary deed does not, however, exempt a stockholder in the Company from compliance with the Company’s requirements for the transfers of shares, including, but not limited to, surrender of the original stock certificate, presentation of a valid assignment, payment of all assessments, interest, and charges then due, and payment of appropriate stock transfer fees. In addition to the other conditions specifically set forth in these bylaws, those obtaining title to Company stock under a beneficiary deed must also submit the following supplemental documentation to the Company’s secretary: (1) a certified copy of the recorded beneficiary deed; (2) an opinion of counsel written for the express benefit of the Company to the effect that the beneficiary deed has not been revoked or superseded; (3) proof that the deceased did not hold the shares in joint tenancy; and (4) proof of the record owner’s death. Once

this information is received by the Company, and the Company determines that all of the prerequisites for transferring the shares have been satisfied, it will change record of ownership of the shares on its books and will issue a new stock certificate.

The Company acknowledges that it may be difficult to obtain an assignment once the beneficiary deed becomes effective (i.e., the record owner has died). For this reason, the Company recommends that a shareholder executing a beneficiary deed simultaneously complete an assignment for the shares. This assignment should be stored with the stock certificate, and tendered to the Company with the certificate when the transfer is requested. When a shareholder revokes a beneficiary deed the Company recommends that the shareholder destroy the assignment previously executed.

Pursuant to C.R.S. § 7-42-104(3), the Company has a perpetual lien on shares of stock for which assessments have not been paid. The beneficiary of a beneficiary deed takes title to the real property subject to any interest in the property, such as a lien, of which the beneficiary has either actual or constructive notice. C.R.S. § 15-15-407(2). This bylaw shall serve as constructive notice that the Company has a perpetual lien on shares for assessments until paid in full and therefore will not transfer such shares unless the assessments are paid in full.

In executing a beneficiary deed for shares in the Company, a stockholder expressly indemnifies and holds the Company harmless from and against any claims arising from said beneficiary deed. The Company shall not be liable for transferring shares pursuant to a beneficiary deed when the above requirements have been satisfied

WATER YEAR

Section 36. The water year of the Company shall be from November 1 through the following October 31 and all records and water budgets maintained by the Company shall be kept on that basis, it being recognized that stockholders may carry over water in storage from one water year to another to the extent of the reservoir space to which they are entitled by virtue of their stock ownership.

AMENDMENTS

Section 37. *{Adopted November 10, 1972}* These By-laws, or any of them, may be altered, amended or repealed or additional By-Laws adopted at any regular meeting or at any special meeting of the Board of Directors by a majority of the Board; **PROVIDED**, that any proposed amendment or change must be submitted in writing and filed with the Secretary at least thirty (30) days, and copy of the same must be personally delivered or properly mailed to each Director not less than ten (10) days, before the same can be acted upon or adopted by the Board of Directors.

Additions to By-Laws by Amendments:

WATER STORAGE

Section 38. *{Adopted March 11, 1986}* When the Company stores water for any stockholder, the water shall become Company water, and shall be released to the stockholder on demand, less storage losses, and less such charge as the Board of Directors shall impose, which shall be retained for the benefit of all stockholders of the Company. The water so stored shall be subject to displacement by water diverted under the decrees of the Company.

{Sections 38 and 39 added to the Bylaws and adopted March 10, 1993 and renumbered to 39 & 40 on 1/28/02}

WATER USE

Section 39. Inventory of Water Use. In order for the Company to be apprised of what uses are being made of water delivered upon its stock each year, the Secretary shall, with the first call for each annual stock assessment, enclose a form to be completed by each stockholder annually setting forth the uses to be made of water delivered by the Company to such stockholder in that year. Such forms shall be completed and returned to the Company each year by April 15th; and if a stockholder fails to return such completed form to the Company by that date, then no water will be delivered upon said stock until the form is completed and returned to the Company.

Section 40. Uses of Shares in Augmentation Plans.

Section 1. Legending of Shares. Water delivered upon shares of stock of the Company may be used to provide augmentation water supply pursuant to augmentation plans adjudicated by the Colorado Water Court pursuant to C.R.S. s37-92-302; provided, however, that each share of stock to be used in connection with an adjudicated augmentation plan shall be legended with a notation setting forth the name and case number of the particular augmentation plan in which the share of stock is included and directing that no transfer of the stock shall be made by the company (except to a designated successor to the original Applicant for approval of the augmentation plan, such as a corporate successor or homeowner's association, that certifies that the stock shall continue to be held and used in accordance with the terms and conditions of the augmentation plan in which it is included) without prior approval of the Water Court.

2. Pre-1993 Plans. Stock certificates for each share of stock included in an augmentation plan decreed by the Water court prior to January 1, 1993, shall be delivered to the Secretary of the Company no later than July 1, 1993 for legending in accordance with Section 1 above. After affixing the required legend upon each stock certificate, the Company's secretary shall return each certificate to its owner.

3. Post-1993 Plans. Stock certificates for each share of stock included in an augmentation plan decreed after January 1, 1993 shall be delivered to the Company's secretary for legending in accordance with the provisions of Section 1 above no later than 30 days after entry of the decree for the augmentation plan in which the shares of stock are included. After affixing the required legend, the Company's Secretary shall return each such certificate to its owner.

4. Additional Provisions For Use Of Stock In Augmentation Plans. Every stockholder seeking to adjudicate an augmentation plan including company stock as an augmentation water source shall include in any proposed decree submitted for such augmentation plan terms and conditions substantially as follows:

(a) No later than 30 days after entry of this decree, stock certificates for each share of the stock of the Twin Lakes Reservoir and Canal Company involved in this augmentation plan shall be delivered to the Secretary of the Company to be legended as required by the Bylaws of the Twin Lakes Reservoir and Canal Company.

(b) No share of stock of the Twin Lakes Reservoir and Canal Company that is included in this augmentation plan shall be sold or transferred, except to a designated successor to the Applicant herein that certifies to the Twin Lakes Reservoir and Canal Company that the stock, after transfer, shall continue to be held and used in accordance with the terms and conditions of this augmentation plan, without prior approval of this Court.

(c) The Twin Lakes Reservoir and Canal Company is not required to make any delivery of water upon the shares of Twin Lakes Reservoir and Canal Company stock included in this augmentation plan except in accordance with the provisions of its Articles of Incorporation and Bylaws, and such delivery shall be subject to all of the restrictions incorporated within those Articles and Bylaws.

(d) Jurisdiction shall be retained in this Court to approve any proposed sale or transfer of any shares of the Twin Lakes Reservoir and Canal Company stock included in this augmentation plan to any party other than a designated successor of the Applicant herein that certifies that the stock shall continue to be held and used in accordance with the terms and conditions of this augmentation plan; such jurisdiction shall be invoked by motion of the Applicant with notice. to all parties and to the Twin Lakes Reservoir and Canal Company."

5. Temporary Substitute Supply Plans. Water delivered upon shares of stock of the Company may also be used to provide augmentation water supply pursuant to a temporary plan of substitute supply duly approved by the Colorado state Engineer. Any stockholder using such water pursuant to a temporary plan of substitute supply shall provide specific written notice to the Company's Secretary of the use, together with copies of documentation setting forth the approval of the Colorado state Engineer of the temporary plan of substitute supply. The Company shall thereafter not transfer any shares of stock that are being used in a temporary plan of substitute supply without prior approval of the Division Engineer.

DESCRIPTION OF WATER RIGHTS FOR IRRIGATION OF LANDS UNDER THE COLORADO CANAL

Unit of Measurement--Water-rights for Irrigation of 80 acres of Land.

I.

Decree for direct flow from the Arkansas River, priority dated June 9, 1890, 756.28 cubic feet per second of time represented by 700 eighty-acre water rights numbered 1 to 700, both inclusive.

Total Acres	56,000
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II.

Supplemental storage rights in the Twin Lakes Reservoir in Lake County, Colorado;

Priority dated December 15, 1896	-- 20,645.30 acre feet
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Priority dated March 29, 1897	-- 33,806.70 acre feet
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Total Storage Decree	-- 54,452.00 acre feet
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Independence Pass Transmountain Diversion System, priority dated August 23, 1930 for 504 cubic feet per second, direct flow into and through Twin Lakes Reservoir (Conditional decree 121 cubic feet per second, direct flow) The water rights in the Twin Lakes Reservoir are represented by 56,000 shares of common stock, or 80 shares of stock to 80 acres of land to which water rights in the Arkansas River are appurtenant.

Said 56,000 shares of stock also are entitled to receive a proportionate share of the water derived from 133 eighty-acre water rights in the Colorado Canal numbered 701 to 833.

III.

Lake Meredith Reservoir

Supplemental storage rights in the Lake Meredith Reservoir 26,028 acre feet, priority dated March 9, 1898, represented by 44,000 shares of stock at the rate of 80 shares of stock to 80 acres of land to which water rights in the Colorado Canal are appurtenant.

44,000

IV.

Lake Henry Reservoir

Supplemental storage rights in the Lake Henry Reservoir;

Priority dated 1891 ----- 6,355 acre feet

Priority dated May 15, 1909 ----- 3,561 acre feet

Total Storage Decree ----- 9,916 acre feet

Representing water rights for 12,000 acres of land to which water rights in the Colorado Canal are appurtenant.

12,000

Total acreage to which storage water rights in the Lake Meredith Reservoir and the Lake Henry Reservoir are appurtenant.

56,000

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