439 WATER SUPPLY CORPORATION

APPLICATION FOR MEMBERSHIP AND SERVICE AGREEMENT

by and between 439 WATER SUPPLY CORPORATION, a corporation organized under the laws of the State of Texas, hereinafter called the CORPORATION, and the individual, partnership or corporation whose signature appears at the end of this document, hereinafter called MEMBER, witnesseth:

The Corporation agrees to sell and deliver water to the Member and the Member agrees to purchase and receive water from the Corporation, for domestic purposes unless otherwise specified, in accordance with the By Laws, tariff, and all rules and regulations of the Corporation, as amended from time to time by the Corporation, upon payment of the established MEMBERSHIP FEE, IMPACT FEE, INSTALLATION FEE and any other charges as may be specified in the Tariff. All charges are NON-REFUNDABLE.

The Member shall pay the Corporation for service hereunder at the rates and upon the terms and conditions set forth in the rate schedule adopted from time to time by the Corporation's Board of Directors. The Board of Directors shall have the authority to render any membership of any Member null and void in the event of non-payment of any water charges or assessments owing by said Member within thirty (30) days after demand for payment by mail. In the event of the sale of the property by Member to another party, Member shall have the option to transfer his membership to the new owner, provided all indebtedness due the Corporation has been paid by Member, and upon approval of the transfer by the Board of Directors, and upon filling of a duly executed and signed Membership Transfer Form, including the applicable Membership Transfer Fee, with the Corporation office. If the membership is not transferred and the property is sold, the membership becomes null and void. In the event of a repossession of the property, the Corporation may reassign the membership to the repossessing agent. If the Member rents the property to another party, the Member continues to assume ultimate responsibility for payment of any and all charges against the meter. The Corporation strongly recommends that the Member collects and holds a deposit from any renter in sufficient amount to cover any outstanding charges that might be left unpaid by the renter. The Corporation does not collect a deposit and will hold Member responsible for any charges against Member's meter, or damages to Corporation property.

All water shall be metered by meters to be furnished and installed and owned by Corporation. In the event the total water supply shall be insufficient to meet all the needs of the Members, or in the event there is a shortage of water, the Corporation may prorate the water available among the various Members on such basis as is deemed equitable by the Board of Directors, and may also prescribe a schedule of hours covering use of water for garden purposes by Members and require adherence thereto or prohibit use of water for outdoor purposes; provided that, if at any time the total water supply shall be insufficient to meet all the needs of all the Members, the Corporation must first satisfy all the needs of all Members for domestic purposes, then for livestock purposes, before supplying any water for garden or outdoor purposes.

The Member shall install, at his own expense, a service line from the meter to the point of use, with a cut-off valve on the customer side of the meter. The Member shall hold the Corporation harmless from any and all claims or demands to real or personal property occurring from the point Member ties on to the Corporation meter to the final destination of the line installed by Member. The Member agrees, as a condition of membership, to grant to the Corporation an easement of right-of-way for the purpose of installing, maintaining and operating such pipelines, meters, valves and any other equipment which may be deemed necessary for the Corporation, on such form as is required by the Corporation.

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the property of the Member at a point to be chosen by the Corporation, and shall have access to its property at all reasonable times for any purposes connected with or in the furtherance of its business operations, including the right to check for illegal connections or unsafe plumbing practices or cross-connections, in compliance with the requirements of the Texas Department of Health's "Rules and Regulations for Public Water Systems." METERS MUST NOT BE FENCED OR AN ACCESS GATE MUST BE PROVIDED AT THE SITE OF THE METER. On discontinuance of service, Corporation shall have the right to remove any of its property from Member's premises, and Corporation retains the full right of egress and regress.

ANY REQUIRED WATER MAIN/FACILITY ADDITION OR ENLARGEMENT IS AT THE DISCRETION OF THE BOARD OF DIRECTORS AND IS AT CUSTOMER EXPENSE.

*****CONTINUED*****

MAILING ADDRESS:

6202 Sparta Rd. Belton, Texas 76513 254-933-2133 **RETURN PAPERWORK IN PERSON TO:**

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OR

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Each Member is entitled to only one vote regardless of the number of memberships held. Any person caught tampering with a Corporation meter will be held liable and that meter will be subject to immediate and permanent removal from the system. Member agrees that this application for membership in the 439 Water Supply Corporation is being accepted on a conditional basis, contingent upon: (1) approval by the Board of Directors, (2) adequate size of transmission line to serve this property, as determined when uncovered by maintenance department at the time of installation or before, (3) number of users on the existing line at the time of this application, and (4) adequate water pressure available to serve an additional connection.

It is expressly understood and agreed by applicant that 439 Water Supply Corporation charges a monthly minimum service fee which will be billed each month beginning as soon as the meter is installed or, if installation is delayed, 90 days after the membership application is received. This minimum charge applies, even if no water is used, as long as the membership remains in effect. See the Tariff Rate Schedule for current rates. If ownership of the physical property which this meter serves changes, either by sale or repossession, 439 Water Supply Corporation reserves the right to transfer ownership of the membership to the new property owner in the absence of a properly executed Membership Transfer Form.

Member's signature below signifies agreement to hold harmless 439 Water Supply Corporation from any previous agreements and/or

contracts. It is understood that this agreement supersedes any previous agreements or contracts for water delivery, and any such previous agreements become null and void. This membership is for Single-family residential use unless otherwise specified. Commercial/Industrial Memberships will pay a monthly base rate for each base, in addition to water usage as metered. Number of Bases I hereby attest that the property this meter will serve is not located within the 100-year floodplain, unless an exception is attached. METER/MEMBERSHIP # Signature of Member/Applicant (must be signed before a Notary Public) # in household ACKNOWLEDGMENT STATE OF TEXAS } COUNTY OF BELL} BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument, and acknowledged to me that (s)he (they) executed the same for the purposes and considerations therein expressed. GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE _____DAY OF ___

NOTARY PUBLIC IN AND FOR BELL COUNTY, TEXAS

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OR

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