

Lincoln County

RULES AND REGULATIONS OF WATER SHARE ASSESSMENTS  
EFFECTIVE JULY 1, 1983

AT THE ANNUAL MEETING OF THE PANACA IRRIGATION COMPANY, THE BOARD  
WILL SET THE AMOUNT OF ASSESSMENT PER SHARE EACH YEAR.  
THE TOTAL ASSESSMENT EACH SHAREHOLDER OWES SHALL BE MAILED TO THEM  
BY MAY 15th.

THE ASSESSMENT WILL BE DUE JUNE 1st AND BECOME DELINQUENT JULY  
1st. ALL DELINQUENT ACCOUNTS SHALL BEAR 1½% PENALTY PER MONTH  
TILL PAID.

ON THE EVENT SHARES BECOME DELINQUENT 1 YEAR, THEY WILL BE SOLD  
FOR THE INDEBTEDNESS THEY HAVE ACCUMULATED.

*H. Ferguson*  
*President*

Lincoln County

By-Laws  
of

The Panaca Irrigation Company

Article I: Stockholders' Meetings

- Section 1. All meetings of the stockholders of this company shall be held at the principal office or place of business in Panaca, Lincoln County, Nevada.
- Section 2. The annual meeting of the stockholders of this company shall be held on the 26th day of February of each year. A notice of such meeting, either written or printed, shall be mailed two weeks before such meeting to each stockholder, to his postoffice address appearing upon the records of the company, in addition to notice required by law to be published.
- Section 3. If, for any reason, the annual meeting of the stockholders shall not be held as herein before provided, such annual meeting shall be called by the president and directors as soon as conveniently may be. It shall be the duty of the secretary, on the written request of ten (10) stockholders, if the election for directors has not been held as hereinbefore provided, to call a meeting of the stockholders as provided in section 2 for the election of directors.
- Section 4. Special meetings of the stockholders of this company may be called at any time by the president. It shall be also the duty of the president to call a special meeting of the stockholders, whenever requested in writing so to do, by stockholders owning 50 percent of the entire capital stock. If the president on such request neglects for twenty-four (24) hours to call a special meeting, then the stockholders making the request may call a special meeting. Notice of special meetings shall be given by mailing a notice thereof to each stockholder, to his postoffice address appearing upon the records of the company at least two weeks (2) weeks before such meeting. Such notice, in addition to stating the time at which said meeting shall be held, shall briefly state the object of said meeting, and no business not so stated shall be considered at such meeting, except in the unanimous consent of all stockholders present, at such meeting, in person or by proxy.

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- Section 5. No meeting of stockholders shall be called or held except as authorized by the law of the State of Nevada or these by-laws.
- Section 6. At all stockholders' meetings, stockholders owning at least a majority of the capital stock of the company and present in person or by proxy, shall be necessary to constitute a quorum.

VOTING

- Section 7. At all annual meetings of stockholders, the right of any stockholder to vote shall be governed and determined by the transfer records of the company.
- Section 8. No share of stock shall be voted upon at any election which has been transferred on the records of the company within ten (10) days next preceeding such election.
- Section 9. Stockholders may give proxies to vote at any meeting.
- Section 10. At all meetings of stockholders all questions except the question of an amendment of these by-laws, and the question of the election of directors, and all such other questions the decision of which is specially regulated by statute, shall be determined by a majority vote of the stockholders present in person or by proxy; and, in the event of a tie vote, the presiding officer of the meetings shall cast the deciding vote, provided that any stockholder present may demand a stock vote. When a stock vote is demanded it shall immediately be taken, and each stockholder present shall be entitled to one vote for each share of stock he owns, as appears by the transfer records as herein before provided, and one vote for each share of stock as owned by any stockholder whose proxy he may be, and the question shall be decided affirmatively by a vote of not less than fifty-one (51) percent of all outstanding shares of stock of said company.
- All voting shall be viva voce, except that a stock vote and vote for the election of directors shall be by ballot, and each ballot shall state the number of shares owned by the person voting, the name of the person voting and the word "Yes", if the vote by an affirmative

vote, and the word "No", if the vote be a negative vote, or the name of the person voted for if it be a vote for the election of a director.

**Section 11.** All meetings, either of stockholders or directors shall be presided over by the president; and at all meetings of the directors the president may vote, and he may also vote at any stockholders meeting by casting his ballot as provided for by the last section, whenever a stock vote is taken. In the absence of the president, the vice-president shall preside and shall have all the powers herein conferred upon the president when acting as presiding officer of a meeting.

#### INSPECTORS OF ELECTION

**Section 12.** At all meetings for election of directors, two inspectors of election shall be first elected by a majority stock vote of all stockholders present at the meeting, in person or by proxy, provided that no person who is a candidate for the office of director shall be elected as an inspector.

#### ORDER OF BUSINESS

**Section 13,** At all meetings of stockholders the following order of business shall be observed, so far as consistent with the purpose of the meeting, viz:

Reading minutes of preceeding meeting and action thereon  
Report of President  
Report of Treasurer  
Report of Secretary  
Report of Committees  
Election of Directors  
Unfinished Business  
New Business

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Article II: Officers - Directors

Section 1. The affairs of this company shall be managed by five (5) directors, who shall be annually chosen at the annual meeting of the stockholders, except as by these by-laws otherwise provided.

Section 2. All directors shall be stockholders.

Section 3. In case a vacancy or vacancies by death, resignation or otherwise, occurs in the board of directors between the time of the annual meetings, the remaining director or directors shall fill the vacancy or vacancies by choosing from the stockholders as many persons as may be necessary to fill the vacancy or vacancies, and the person or persons so chosen shall be directors and hold office until their successors are elected.

Section 4. In case the entire board of directors should die or resign, then any stockholder may call a special meeting in the same manner that a president may call a special meeting, and new directors may be elected at such special meetings, in the manner provided for the election of directors at annual meetings.

Section 5. Any director who may be guilty of any fraud, or crime or conduct prejudicial to the interests of this company may be removed from his office by an affirmative majority vote of the other directors, and the remaining directors shall immediately after such vote declare the office of such director vacant, and the vacancy so created shall be filled in the same manner any other vacancy may be filled.

Section OTHER OFFICERS

Section 7. The directors so chosen, immediately after their election, shall hold a meeting, at which they shall choose from among their number a president and a vice-president, and they shall at the same meeting choose a secretary, treasurer and such other officers, agents and factors as they may deem necessary, who shall hold their offices until others are chosen and qualified in their stead.

Section 8. Said boards of directors may adopt such rules and regulations for the conduct of their meetings and management of the affairs of this company as they may deem proper, not inconsistent with the law of the State of Nevada or these by-laws.

Section 9. The salary of all officers shall be fixed by a majority vote of the board of directors, and they may be changed from time to time as by said board of directors may be determined.

Section 10. The directors may hold their meetings at such time and times and place and places, either within or without the state, as they may determine upon. Notice of such meeting shall be given by mailing a notice thereof to each director, at his postoffice address as appearing in the records of the company not less than five (5) days before such meeting.

Article III: Powers of Officers.

Section 1. President: The president shall have power to employ and discharge all clerks, employees and agents, subject, however to the right of the board of directors, to direct, by a majority vote the employment of any agent or other employee. The president shall also preside at all meetings of the company, or meetings of the stockholders of the company, and of the board of directors; shall be ex officio a member of all committees, and shall perform by the board of directors and shall have a general oversight over the business and affairs of the company.

Section 2. Vice-President: The vice-president shall, in the absence or incapacity of the president, perform the duties of that office.

Section 3. Treasurer: The treasurer shall deposit the money and Securities belonging to this company in such bank or banks, trust companies and safe deposit vaults as may be selected by the board of directors, and all checks or other orders for the payment of money or the delivery of securities belonging to this company shall be signed by the president and treasurer or by such other person with the treasurer as the board of directors may designate, and no pay-

ment for a greater sum than ten (10) dollars shall be made except by check. The treasurer shall also keep such books of accounts the directors or a majority of them may direct. A report of the financial condition of the company shall be made by the treasurer to the president whenever requested by the president, and a report of like character shall be submitted by the treasurer at the annual meetings; and he shall, if required by the directors at anytime, give such bond as the directors may require, and failure so to do within five (5) days thereafter shall be held to forfeit and vacate, and shall forfeit and vacate, the office of treasurer. Every person accepting the office of treasurer shall hold the same subject to the last mentioned limitations. The treasurer shall also perform such other duties as the board of directors may require.

**Section 4.** Secretary: The secretary shall be sworn to the faithful discharge of his duty, and shall record all the votes of the company and directors, in a book to be kept for that purpose. He shall record all transfers of stock and cancel and preserve all certificates of stock transferred, and he shall also keep a record alphabetically arranged of all persons who are stockholders of this company, showing their places of residence, the number of shares of stock held by them respectively, and the time when they became owners of such shares. The address of any stockholder shall be changed whenever requested in writing by such stockholder. The secretary shall also be the transfer agent of the company for the transfer of all certificates of stock. He shall also keep the seal of the company, and affix the same to all certificates of stock and such other instruments requiring the seal as may be directed by the board of directors. The secretary shall also keep such other books and perform such other duties as may be assigned to him.

**Article IV: Stock**

**Section 1.** All certificates of stock shall be signed by the president or vice-president and secretary, and be attested by the corporate seal.

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Section 2. Certificates of stock may be transferred, sold, assigned or pledged by an endorsement to the proper effect in writing on the back of the certificate, and delivery of such certificate by the transferrer to the transferee; provided that until notice given of such transfer to the secretary of the company, and the surrender of the certificate of stock for cancellation, and the issue of a new certificate in lieu of that surrendered, this company may regard and treat the transferrer as being still the owner of the stock.

Section 3. All surrendered certificates shall be marked cancelled with the date of cancellation, by the secretary, and shall be immediately posted into the stock-book opposite the memorandum of their issue.

Section 4. Duplicate certificates of stock may be issued for such as may have been lost or destroyed, upon the applicant furnishing (1) an affidavit of ownership and loss and (2) a bond of indemnity satisfactory to the company and conditioned to protect the company against all loss and damage which may occur in consequence of the issue of said duplicate certificate, and no such duplicate shall be issued until after publication once a week for four (4) weeks, at the expense of the applicant, of a notice of the application therefore in some newspaper of general circulation designated by the president, published in the city of the applicants residence.

Article V\*: Miscellaneous

Section 1. The seal of the company shall be circular in form with the words "Panaca Irrigation Company" on the circumference, and the word "Seal" in the center.

Section 2. These by-laws may be amended at any stockholders' meeting by a vote of two thirds (2/3) of the issued and out standing capital stock in favor of the amendment.

No. 77263

FILED AND RECORDED AT REQUEST OF

AL FERGUSON

MARCH 3, 1983

AT 1 MINUTES PAST 12 O'CLOCK

P.M. IN BOOK 53 OF OFFICIAL

RECORDS, PAGE 579

LINCOLN

COUNTY, NEVADA.

(7)

Yurika Arden  
COUNTY RECORDER

MARCH

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