

Rules and Regulations of the Silver Fork Pipeline Corporation

These Rules and Regulations have been adopted by the Board of Directors to ensure that the operation of the Corporation will have a minimum of disruption in its obligation to distribute water to the Silver Fork Community.

1. This Corporation shall distribute water and permit use of its pipeline facilities only to holders of not less than one share of common stock of this Corporation. The owner of each share of Common Stock shall be entitled to one (1) three quarter inch (3/4") service connection to the premises for a residential dwelling. All service lines shall be copper or high density polyethylene (HDPE – usually "blue pipe"). Galvanized and low density polyethylene (LDPE or "black pipe") shall be replaced with approved materials when service lines are exposed as a result of new construction, remodels, or reconstruction. Commercial service connections and the number of shares required shall be determined on a case-by-case basis by the Board of Directors.

"Commercial" designation may mean that Salt Lake County requires a business license or the display of a commercial sign indicating a place of business. However, these definitions are not limiting the power of the Board of Directors to determine commercial designations. In no event will a connection greater than one inch (1") be permitted. Each shareholder must bear all cost and expense from the main distribution line to their premises. All water lines from the main to the dwelling must be buried not less than six feet deep. All new service connections and repairs to existing service connections shall be inspected and approved by the Water Master.

2. Water distributed through the pipeline must be used only for household and culinary use and not for watering outside shrubs or lawns. Sprinkling, irrigations systems and decorative water features are strictly prohibited and installation of any such system shall be cause for immediate disconnection from the main distribution line.

3. One share of common stock is required for each habitable building on any one lot. All shares of the Corporation must be attached and appurtenant to a lot in the Corporation's area of service, whether improved or unimproved. Shares automatically transfer with the real property to which they are appurtenant, whether the real property is transferred by sale, gift, foreclosure, or otherwise. Shares may not be transferred separate from a lot without prior written consent of the Board of Directors.

4. Any new water mainline extensions or upgrades are to be made at no cost to the corporation and become the property of the Corporation upon satisfactory inspection by the Water Master and formal acceptance by the Board of Directors before water service is furnished. All specifications, materials, compatibility requirements and extensions are subject to approval by the Water Master. The Water Master's decision is subject to appeal and review by the Board of Directors.

4.1 The Water Master must be notified and approve of any proposed work on any water supply lines prior to construction.

4.2 Any new or upgraded service connection shall include installation of an approved backflow prevention assembly or device.

4.3 Ownership and responsibility. The corporation owns and is responsible for the main distribution system (the mains) as indicated on the system map. The Corporation responsibility ends at the "corporation stop", installed on the main lines to provide a connection for the service laterals. Downstream of the corporation stop (the service

lateral), the shareholder/property owner is responsible for all maintenance (including freezing) of the service lateral and appurtenant parts.

5. Outside watering is strictly prohibited, however, one outside freeze-proof standpipe is recommended for fire protection and should be located no closer than ten (10) feet from the building. Standpipes shall be installed after/downstream of the water meter, required per Rule #13. The Board of Directors recommends installation of a frost-proof hose bib at the building.

6. The Board of Directors will send an annual assessment sufficient to take care of the operation and maintenance of the water source, reservoirs, storage tank, pipeline distribution lines and reserve. Notice of this assessment shall be given to each stockholder at the address as shown on the current stock certificate of the Corporation on or before May 1st of each year. Amounts due become delinquent after June 10th and an additional \$50 per share per month delinquency fee will be imposed. Water lines will be subject to disconnection after August 1. Any stock assessment delinquent past September 1st may be advertised and the stock sold in the manner prescribed by law. It is the responsibility of the stockholder to keep the Corporation informed of their current address. The annual assessment will be made to stockholders with no connection. Current charges and assessments at the discretion of the board are as follows:

6.1 Initial Connection Fee	\$ 2,500.00
6.2 Stock Certificate Transfer Fee	\$ 75.00
6.3 Lost Certificate Replacement	\$ 250.00
6.4 Re-connect Fee	\$ 1,000.00
6.5 Annual Assessment	Set Annually
6.6 Winter Water Assessment	Set Annually
6.7 Labor-per hour	\$ 65.00
6.8 Labor-winter rate per hour	\$ 130.00
6.9 Unauthorized Winter Water Use	\$ Double Winter Water Assessment

7. No stockholder shall tamper with or allow anyone to tamper with the reservoirs, storage tank, pipes, meters or other property of the Corporation. Such action will result in an immediate disconnection from the system.

8. Since it is in the interest of all stockholders that the integrity of the water system is maintained, any leaks, damage, frozen pipes or other similar circumstance should be reported immediately to the Water Master for corrective action.

8.1 Any unauthorized use of water supplied by SFPC is subject to disconnection from the system and will require payment of a reconnection fee (e.g. use of winter water for which payment has not been made.)

WINTER WATER – DEFINITIONS AND REQUIREMENTS

9. Winter water is defined as the period between November 1st and May 1st. Subject to the availability of winter water connections, any stockholder desiring a new subscription for winter water must notify the Water Master by August 15th of each year. The Secretary-Treasurer shall supply the Water Master with a list of all winter water assessments paid. All first-time winter water users must have their water systems inspected by the Water Master for approval prior to use. This

inspection is a “good until revoked” approval. The payment of established winter water user’s assessments are due June 10, with the annual assessment.

Upon request by a stockholder for first time winter water use, the Water Master must determine if the Corporation main line delivering to the connection is suitable for winter water use. This determination will be made by considering, but not limited to, the following criteria:

9.1 Whether or not the main supply water lines may be at or above the ground surface.

9.2 Whether or not the area has historically experienced freezing lines.

9.3 Water lines, either main supply or dwelling service lines, which are not buried deep enough to avoid freezing.

9.4 Whether or not the main supply lines lie or cross under roads which are or may be plowed during the winter months.

9.5 Whether or not the main supply lines lie under a perpetual winter snow blanket.

9.6 Any condition, deemed by the Water Master, which could place the water system in danger of damage from freezing.

10. WINTER WATER RULES & REGULATIONS

10.1 All connections to the main must be marked with a ten (10) foot pole so that it can be found throughout the winter.

10.2 Cabins that are built on stilts are unsuited for winter water unless the cabin is completely skirted and insulated and all pipes under the cabin are wrapped with heat tape and 3 inches of dense insulation with a moisture proof cover.

10.3 All water lines from the main to the dwelling shall be buried not less than six (6) feet deep measured from the finished grade to the top of the pipe.

10.4 A shut off valve and drain valve is required at the point of entry into the dwelling so that water can be turned off and drained from the dwelling when necessary. Water should be turned off and drained if the dwelling is to be unoccupied and unheated for more than two (2) consecutive days.

10.5 Water lines in unheated basements should be wrapped with heat tape and insulation. The heat tapes do not necessarily need to be on at all times-only during periods of below freezing temperatures.

10.6 Weekend or part-time users should turn off and drain their systems inside the dwelling when they are not using the dwelling. This will prevent excess damage from broken water lines and will reduce the cost of heating the dwelling when not in use.

10.7 It is strictly prohibited to leave water running in or through the dwelling pipes to prevent the lines from freezing (“bleeders” are prohibited). Violators will be disconnected immediately, and subject to a reconnect fee prior to reestablishment of service.

10.8 If any damage is done to the community water system due to neglect on the part of any user, that user will be charged for any costs incurred by the Corporation to repair the damage. Each stockholder is responsible for the actions of tenants or guests who may be using their dwelling.

10.9 Any winter water user who has had trouble with freezing in previous years should contact the Water Master for ideas to prevent these problems from occurring in the future.

11. WINTER SHUTDOWN. All water users are obligated to take all necessary steps to prevent freezing of pipes into and inside their buildings. Houses or cabins which are not approved for Winter Water, or which will be unoccupied for an extended period must be drained and have the water service turned off prior to October 1. Early draining is suggested to prevent pipe breakage and unnecessary water loss. Any repairs required because of non-compliance will be at the sold expense of the shareholder.

12. WATER CONSERVATION. Water Closets (Toilets) When a new dwelling is constructed, the toilets should be an energy efficient model of 1.6 (or less) gallons per flush. The Water Master will ensure compliance during his inspection of the service line and will not permit connection until the dwelling is in compliance with this rule. While this rule cannot be retroactively applied, water users are encouraged to follow this rule when they remodel their dwellings.

13. WATER METERS. All system connections shall have a water meter installed that is supplied by the Corporation. This is to promote water conservation and provide the ability to detect leaks in an efficient manner. Installation costs and coordination with the corporation are the responsibility of the shareholder. After January 1, 2026, meters will continue to be required on all connections, but the Corporation will charge for those meters. Installation costs and coordination with the corporation are the responsibility of the shareholder.

14. STORAGE TANKS. Construction and operation of a water holding container with a capacity in excess of five thousand (5,000) gallons is strictly prohibited. Any such effort will meet with immediate disconnection from the main service line.

Revised and Adopted this 12th Day of May, 2026 by the Board of Directors, at which a quorum was present.

Phil Lanouette

Phil Lanouette, President

Jolene Despain

Jolene Despain, Secretary-Treasurer