

BYLAWS
OF
GILBERT-SUMMIT RURAL WATER DISTRICT
LEXINGTON COUNTY

ARTICLE XI

ANNUAL MEETING

Section 1. Once every calendar year, the District will hold a meeting for the purpose of reporting on the business operation of the facilities to the resident electors of the District. The District's Report shall include a summary of the results of the most recent audit.

Section 2. The Annual Meeting will be held during the month of August at a time and place set by the Board of Directors in February of each year. The place of the meeting, if not held at the principal office of the District, may be held anywhere, so long as the meeting site is not more than 10 miles outside of the geographic boundaries of the District's service area. If the Directors fail to set a date, time, and place for the Annual Meeting, the Annual Meeting will be held at the principal office of the District commencing at 7 p.m. on the fourth Tuesday of August.

Section 3. Notice of the Annual Meeting will be published in a newspaper of general circulation in the service area of the District. Written or printed notice of the Annual Meeting will also be delivered to subscribers, not more than thirty (30) days nor less than ten (10) days before the meeting. If mailed, the Notice will be deemed delivered when posted with postage thereon prepaid in the United States mail, addressed to the subscriber at the subscriber's address as it appears on the Districts records; or, if a subscriber has filed with the Secretary of the District or his designated Agent a written request that notice be mailed to some other address, then notice will be directed to him at that address. The subscriber's notice will state the date, time, and place of the meeting and may be an attachment or message appearing on the subscriber's water bill.

Section 4. If proper notice has been provided to the membership, the actual presence of no fewer than five subscribers shall constitute a quorum.

Section 5. During a year when the term of office expires for one or more of the District's Directors, the District will conduct an election of subscribers for the purpose of recommending to the County Delegation subscribers for appointment to the Board. The District will nominate one subscriber for each vacancy.

Section 6. Any subscriber, whether incumbent or non-incumbent, desiring to participate as a candidate in the election of subscribers must, no earlier than ninety (90) days nor less than forty five(45) days prior to the date of the Annual Meeting, file a Notice of Intent to Run with the District. No subscriber may become a candidate for appointment to the Board after the period for filing a Notice of Intent to Run has expired. The Notice of

Intent to Run will be designed by the Board and include such information about the candidate as set by general policy of the Board.

Section 7. The Secretary will create a list of subscribers who have submitted timely Notice of Intent to Run Forms. The Secretary will examine the information provided in the Notice of Intent to Run Form and the subscriber's account for the purpose of determining if the candidates are qualified to serve as Directors, pursuant to the Bylaws. Thereafter, the names of the qualified candidates and the Director seats for which they intend to run will be posted in the Water District Office.

Section 8. For the purpose of determining subscribers entitled to vote during the District's nominating election, the Board of Directors will fix a record date for such determination. The record date may not be more than sixty (60) or less than ten (10) days prior to the date of the Annual Meeting. The Subscribers of Record appearing in books of the District at the close of business on the record date, so fixed, will constitute the subscribers entitled to vote. In the absence of action by the Board of Directors to fix a record date, the record date will be thirty days prior to the date of the Annual Meeting.

Section 9. In the years when the District conducts a subscriber's vote for Director to be recommended to the Lexington County Legislative Delegation, the Board will appoint an Election Administrator to conduct the election. The Election Administrator may not be a subscriber to the District's Service nor related by blood or marriage to the third degree of consanguinity to a Director, a candidate or an employee of the District. The Election Administrator will oversee the voting by subscribers, tabulate ballots, and investigate election complaints. The Election Administrator will report to the Board, who will certify the election or hold a hearing on any protest. The certification of winners or resolution of any protest will be resolved by a majority of those Directors, who were not candidates at the meeting for which the election report is presented.

Section 10. Except as may otherwise be required by law and subject to the provisions concerning Subscribers of Record contained in Article XI Section 6, a subscriber who attends a meeting of subscribers and who is not listed by the District as having a past due account is entitled to one vote. A person, other than a corporation, may not appoint a proxy to act on his behalf during an Annual Meeting. Any corporation, including churches or other entity holding incorporation documents from the South Carolina Secretary of State's Office, may appoint a representative to vote; and, if the appointed representative is also a subscriber, the representative may cast a vote for that entity and a vote for himself. No person may be appointed proxy for more than one corporate subscriber.

Section 11. During registration for any Annual Meeting at which a subscriber's vote to designate names to be submitted to the Lexington Legislative Delegation for appointment of Directors will be held, subscribers registering for the meeting will be issued a ballot with the names of qualified candidates. The subscriber may, thereafter, mark his or her ballot for the candidate he or she desires for each Director position and deposit the ballot in a box provided by the District. At the conclusion of subscriber registration, the voting

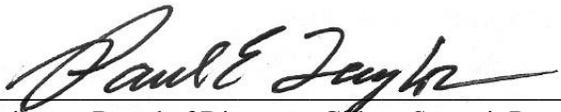
will be closed and a Committee of three subscribers will be appointed to assist the Election Administrator in counting the ballots. The election will be conducted using the Plurality Voting Method and the candidate having the greatest number of votes in each contest will be declared the winner.

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IN WITNESS WHEREOF, GILBERT-SUMMIT RURAL WATER DISTRICT, SOUTH CAROLINA, has adopted and caused this Amendment to ARTICLE XI of the BYLAWS to be signed in its name by the Chairman of the Board of Directors of Gilbert-Summit Rural Community Water District of Lexington County, South Carolina, attested by the Secretary of the Board of Directors of Gilbert-Summit Rural Community Water District of Lexington County, South Carolina, the Seal of said District to be impressed hereon.

DONE IN MEETING DULY ASSEMBLED, this 24th day of May, 2005.

(SEAL)


Chairman, Board of Directors, Gilbert-Summit Rural
Water District, South Carolina

Attest:


Secretary, Board of Directors, Gilbert-Summit
Rural Water District, South Carolina