

REO WATER, INC.

WATER USER'S AGREEMENT

This agreement, between the REO Water system, a non-profit corporation, organized and existing under and by virtue of the laws of the State of Indiana, hereinafter called the Company, and _____, a member of the Company, hereinafter called the Member.

WITNESS:

WHEREAS: The aforesaid Member desires to purchase farmstead or domestic water from the Company, and to enter into a water user's agreement as required by the by-laws of the Company; and

WHEREAS: upon payment of a \$200.00 membership fee, \$900.00 connection fee and any other necessary expenses involved in the installation of a water meter; and,

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained, it is hereby understood and agreed:

The Company shall furnish, subject to the limitations hereinafter provided for, such quantity of water for domestic and/or farmstead purposes as the Member may desire in connection with occupancy at the following location:

Member agrees to provide the Company, without charge to the Company, but in consideration of the execution of this agreement by the Company, such easements and right-of-way as may be required for the purpose of installing, maintaining, removing and relocating such water transmission lines as Company may require in connection with its overall undertaking.

Member hereby authorizes Company to enter upon Member's land to cut and/or remove any shrubs, trees or other plantings that may be hampering or hindering Company from repairing, replacing, servicing and/or maintaining said water lines and meters.

Members understands and agrees that no plantings are to be on the easement that affects the waterline and/or meter. In the event that shrubs, trees or other plants do affect or are in danger of affecting the waterline and/or meter, Company shall not be responsible

for the loss, damage or removal which may occur to the surface of the ground due to Company's repair or maintenance of such waterline and/or meter.

The Member shall be responsible for keeping the area around the meter pit clean and the lid uncovered and easily accessible (grass sprayed or weeded or dirt/rock kept off of) for the Company to find and access.

The Member shall install and maintain, at his own expense, a service line which shall begin at his property and extend to the dwelling and other portions of his premises.

The Member's service line shall connect with the distribution system of the Company just inside the member's property line or at any other point that is mutually agreed upon by both the member and the Company, provided the Company has determined, in advance, that the Company water system is of sufficient capacity to permit delivery of water at that point.

The Company shall purchase and install a cutoff valve and may also include a water meter, in each service. Such cutoff valve and meter shall be installed as detailed in the paragraph above. The company shall retain ownership of, and have exclusive right to use such cutoff valve and water meter and to turn it off and on.

The Member shall pay for such water at such rates, time and place as shall be determined by the Company. While the Member may, with approval by the Company, have more than one connection, said Member is responsible for payment of water used at all connection locations.

The Member shall be responsible for any and all damages to meter, meter pits, lids and/or water service lines which are result of any act not caused by the Company.

With the execution of this Agreement, Member authorizes and consents for the Company to enter upon Member's property to inspect for possible use of cross connection devices. Member accepts and acknowledges sole responsibility and costs for installing a back-flow preventor, should the company determine it necessary. Member further acknowledges and accepts the right of the company to immediately disconnect and terminate water service, without notice, until a back flow preventor is installed, should the Company determine that same must be installed. Member further accepts responsibility to notify Company of completion of installation and permit Company to inspect same. Should the installation be approved, then, and in that event, and said service will be restored. The water consumer shall, at his own expenses, install such an approved device at a location and in a manner approved by the Superintendent of Water and shall have inspections and test made of such approved devices as required by the Superintendent of Water and in accordance with the IDEM Rule 327 IAC-8-10.

The Company shall have final jurisdiction in any question of location of any service line connection to its distribution system it shall determine the allocation of water to Members in the event of water shortage.

The failure of a Member to pay water charges duly imposed shall result in the automatic imposition of the following penalties:

A. Non-payment by the seventeenth (17th) of the month in which the bill is due will be subject to a penalty of ten (10) percent of that part of the delinquent account which does not exceed \$3.00 plus three (3) percent of any delinquent amount in excess of \$3.00

B. Non-payment with thirty (30) days from the due date will result in the water being shut off from the Member's property.

C. Non-payment of sixty (60) days after the original due date will allow the Company, in addition to all other rights and remedies, to purchase the Member's membership and terminate his membership, and, in such event, the Member shall not be entitled to receive, nor the Company be obligated to supply, either now, or in the future, any water under this agreement.

As long as a meter is installed, a minimum bill will be due each month, even if no water usage occurs.

In the event it becomes necessary for the Company to shut off the water from a Member's property, a fee of FIFTY (\$50.00) dollars will be charged for a reconnection of service.

IN WITNESS WHEREOF, we have hereunto executed this agreement this the

_____ day of _____, _____.

Reo Water, Inc.

Member