

Bolton Valley Water and Community Development Company

Board Resolution Regarding Interpretation of Mandatory Membership and Admission of Members

Adopted October 7, 2025

WHEREAS, Article IV of the Articles of Incorporation provides that membership in the Corporation shall be mandatory for all residential and commercial units that use the services of the Corporation; and

WHEREAS, Vermont's Nonprofit Corporation Act, 11B V.S.A. § 6.01, provides that the qualifications and rights of members may be set forth in or authorized by the bylaws; and

WHEREAS, the Board of Directors recognizes that membership in a nonprofit corporation is a voluntary association relationship that requires the assent of the member, and that existing ratepayers who have not expressly joined the Corporation cannot be deemed members without consent; and

WHEREAS, the Board desires to interpret the Articles in a manner consistent with both Vermont law and the Corporation's practical operations, allowing continuity of service to existing customers while establishing clear membership requirements for all future applicants for service;

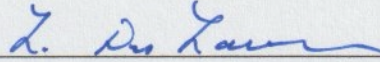
NOW, THEREFORE, BE IT RESOLVED

1. The Articles require that all future applicants for new water or wastewater service shall apply for membership as a condition of service, and upon approval shall be admitted as Members of the Corporation.
2. Existing ratepayers who are receiving service as of the effective date of this Resolution and who have not previously executed a membership agreement may continue to receive service as non-member customers, subject to all applicable rates, tariffs, and service terms established by the Corporation.
3. Nothing in this interpretation shall be construed to deny any current customer the opportunity to apply for membership voluntarily in accordance with the Bylaws.
4. This interpretation is consistent with 11B V.S.A. § 6.01 and with the Articles of Incorporation, which authorize the Bylaws to govern admission of members.

BE IT FURTHER RESOLVED, that the Board hereby adopts the accompanying amendment to Article III, Section 1 of the Bylaws to codify this interpretation and directs the Secretary to incorporate this Resolution into the Corporation's permanent records.

Certified as a true and correct copy of a resolution duly adopted by the Board of Directors on October 7, 2025.

Dated at Bolton, Vermont, this 8th day of October, 2025



Lindsay DesLauriers, Chair / Manager

Article III: Membership

Section 1: Membership Definition

- Membership shall be limited to those persons or entities who have applied for and been accepted as Members in accordance with these Bylaws and applicable Vermont statutes.
- Existing ratepayers receiving service prior to October 7, 2025 may continue to receive service as non-member customers subject to such rates, terms, and conditions as may be established by the Corporation, but shall not, by virtue of receiving service, be deemed Members of the Corporation.
- After October 7, 2025, all new applicants for water or wastewater service must apply for membership and, upon acceptance, shall be admitted as Members of the Corporation as a condition of service.