

SERVICE AGREEMENT

AGREEMENT made this _____ day of _____, _____, between DEANVILLE WATER SUPPLY CORPORATION, a corporation organized under the laws of the State of Texas (hereinafter called the corporation) and _____, (hereinafter called the Member),

Witnesseth:

The Corporation shall sell and deliver water service to the Member and Member shall purchase, receive, and/or reserve water service from the Corporation in accordance with the bylaws and rules and regulations of the Corporation as amended from time to time by the Corporation. Upon compliance with said policies, including payment of a Membership Fee, the Member qualifies for Membership as a new Member or continued Membership as a Transferee and thereby may hereinafter be called a Member.

The Member shall pay the Corporation for service hereunder at the rates and upon the terms and conditions set forth in the rate schedule adopted from time to time by the Corporation's Board of Directors.

The Board of Directors shall have the authority to discontinue service and cancel the Membership of any Member not complying with any policy or not paying any utility fees or charges as required by the Corporation's published rates, fees, and conditions of service.

In the event the Member shall breach this agreement by (1) refusing or failing, without just cause, to connect to the Corporation's facility and use same as soon as the facility is available, or (2) refusing or failing, without just cause, to pay the minimum monthly water rate as established by the Corporation, upon the occurrence of either of said events the Member agrees to pay the Corporation a lump sum of Three Hundred Dollars (\$300.00) as liquidated damages.

All water shall be metered by meters to be furnished and installed by the Corporation. *The meter and/or connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling or only one (1) business.* Extension of pipe(s) to transfer utility service from one property to another, to share, resell, or sub-meter water to any other persons, dwellings, business, and/or property, etc., is prohibited.

In the event the total water supply be insufficient to meet all of the needs of the Members, or in the event there is a shortage of water, the Corporation may prorate the water available among the various Members on such basis as is deemed equitable by the Board of Directors, and may also prescribe a schedule of hours covering the use of water for garden purposes by particular Members and require adherence thereto to prohibit the use of water for garden purposes; provided that, if at any time the total water supply be insufficient to all of the

needs of all Members, the Corporation must first satisfy all the needs of all Members for domestic purposes before supplying any water for livestock purposes and must satisfy all the needs of the Members for both domestic and livestock purposes before supplying any water for garden purposes.

The Member shall install at their own expense a service line from the water meter to the point of use, including any customer service isolation valves and other equipment as may be specified by the Corporation. The Corporation is responsible for protecting the drinking water supply from contamination or pollution which could result from improper practices. This service agreement serves as notice to each customer of the restrictions to ensure the public health and welfare. The following undesirable practices are prohibited by State regulations:

- a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
- b. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
- c. No connection which allows water to be returned to the public drinking water supply is permitted.
- d. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
- e. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.

By execution hereof, the Member shall hold the Corporation harmless from any and all claims for damages caused by service interruptions due to waterline breaks by utility or like contractors, tampering by other Member/Users of the Corporation, normal failures of the system, or other events beyond the Corporation's control.

The Member shall grant to the Corporation, now or in the future, any easements of right-of-way for the purpose of installing, maintaining, and operating such pipelines, meters, valves, and any other such equipment which may be deemed necessary by the Corporation to extend or improve service for existing or future Members, on such form as required by the Corporation.

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Member's property.

The Corporation's authorized employees shall have access to the Member's property or premises at all reasonable times for the purpose of inspecting for possible violations of the Texas Health & Safety Code and the Corporation's policies. The Corporation strictly prohibits the connection of service pipelines from its water service meter to any private or other unknown water supply.

Member

Spouse/Co-Applicants

ACCEPTED AND APPROVED:

President