SHADY GROVE WATER SUPPLY CORPORATION
MEMBERSHIP TRANSFER AUTHORIZATION FORM

Transferor hereby surrenders to Shady Grove Water Supply Corporation his/her Shady Grove Water Supply Corporation Stock Certificate. The Corporation may in turn, re-issue stock in the name of the below transferee at the location represented below. Transferor understands that the transfer cannot be completed until the following terms are met:

(1) This Membership Transfer Authorization Form is completed by the Transferor and Transferee;
(2) The Transferee has completed the required Application Packet;
(3) All indebtedness due the Corporation has been paid;
(4) The Membership certificate has been surrendered, properly endorsed, by the record Transferor; and
(5) The Membership is transferred by will to a person related to the Transferor within the second degree by consanguinity; or
(6) The Membership is transferred without compensation to a person related to the Transferor within the second degree by consanguinity; or
(7) The Membership is transferred without compensation or by sale to the Corporation; or
(8) The Membership is transferred as a part of the conveyance of real estate from which the Membership arose.

By execution hereof, the undersigned hereby acknowledges the Membership Transfer complies with the terms of one of the above items (5) through (8) relative to qualification for transfer of Membership according to the laws of the State of Texas.

_____ _____

Signature of Transferor Signature of Transferee

ACKNOWLEDGMENT
The State of Texas
County of Hunt

IN WITNESS WHEREOF the said Transferor and Transferee have executed this instrument this _____day of _____, 20___.

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ DAY OF _____ 20___.

(SEAL)

_____

Notary Public in and for _____County, Texas

Commission Expires: _____