

RESOLUTION

(No. 2018-02) *2018*

(Authorization to Secure Interim Loan for USDA Grant/Loan Program)

Morag Charlton, Cyndy King, Sharon Dunn, David Paull, Nancy Sharp, Ray Thorne and Sarge Lester, being all of the members of the Board of Trustees (individually, "Trustee" and, collectively, "Trustees") of the Holmes Harbor Water Co., Inc., a Washington, non-profit corporation (the "Corporation"), hereby adopt the following resolutions:

RESOLVED: That the Corporation borrow the sum of \$849,000 (the "Loan") from Heritage Bank (the "Bank"), in accordance with the terms of that certain Financing Proposal (the "Proposal") dated January 30, 2018, an unexecuted copy of which is attached hereto and incorporated herein by this reference;

RESOLVED FURTHER: That Morag Charlton, President of the Corporation, is hereby authorized and directed to execute any documents and to perform any other actions that may be reasonable and necessary under the circumstances to effect the closing of the above-described Loan transaction with the Bank;

RESOLVED FURTHER: That if different, duplicate original copies of this Resolution are executed by one or more, but not all, of the Trustees of the Corporation, those copies containing the original signatures of all of the Trustees may then be assembled and shall constitute an executed original. In addition, facsimile, scanned and e-mailed or electronic signatures on this Resolution shall be equivalent to and shall constitute original signatures of the Trustees, for all intents and purposes; and

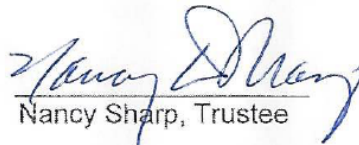
RESOLVED FURTHER: That the effective date of this Resolution is February 10, 2018.



Morag Charlton, Trustee


Cynthia King, Trustee


Sharon Dunn, Trustee


David Paull, Trustee


Nancy Sharp, Trustee


Ray Thorne, Trustee


Sarge Lester, Trustee