

**ASSET PURCHASE AGREEMENT**

by and among

**New England Service Company**

as parent company of

**Abenaki Water Co., Inc.**

as Buyer

**White Rock Water Company**

as Seller

and

**Theresa Crawshaw**

as Shareholder

Dated: August 9, 2013

## ASSET PURCHASE AGREEMENT

AGREEMENT entered into as of August 9, 2013 by and among New England Service Company, a Connecticut corporation with a principal place of business at 37 Northwest Drive, Plainville, Connecticut 06062 ("Parent"), Abenaki Water Co., Inc., a New Hampshire corporation with a principal place of business at 37 Northwest Drive, Plainville, Connecticut 06062 ("Buyer"), White Rock Water Company, Inc., a New Hampshire corporation with a principal place of business at 24 Tate Road, Gilford, New Hampshire 03249 ("Seller"), and Theresa Crawshaw, an individual with a mailing address of P.O. Box 7394, Gilford, New Hampshire 03247 (the "Shareholder").

### W I T N E S S E T H

WHEREAS, Buyer is wholly owned by Parent, formed for the purpose of acquiring all of the assets of Seller;

WHEREAS, Seller is engaged in the business of, among other things, owning, constructing, operating, and managing facilities and plants for the distribution and sale of water (the "Business");

WHEREAS, subject to the terms and conditions hereof, Seller desires to sell the Business and substantially all of its properties and assets relating to the Business;

WHEREAS, subject to the terms and conditions hereof, Buyer desires to purchase said business, properties and assets of Seller for the consideration specified herein;

WHEREAS, the Shareholder owns all of the issued and outstanding equity interests in the Seller; and

NOW, THEREFORE, in order to consummate said purchase and sale and in consideration of the mutual agreements set forth herein, the parties hereto agree as follows:

### **SECTION 1. PURCHASE AND SALE OF ASSETS**

1.1 Purchased Assets. Subject to the provisions of this Agreement, Seller agrees to sell and Buyer agrees to purchase, at the Closing (as defined in Section 1.6 hereof), Seller's Business and all of the properties and assets of every kind and description of Seller relating to such business, including, without limitation, those assets listed on Schedule 1.1 and particularly described below (however, excluding the Excluded Assets set forth in Section 1.2 hereof) (collectively, the "Purchased Assets"):

(a) all of Seller's goodwill relating or attributable to or arising from Seller's Business and the Purchased Assets;

(b) all of Seller's property (both real and personal), plant and equipment, all as set forth on Schedule 1.1(b);

(c) all of Seller's office supplies, machinery, office equipment, telephone equipment, furniture, furnishings, fixtures, computer hardware and other computer equipment (including any cell phones or other similar devices), tools, instruments, vehicles, and other tangible personal property, all as set forth on Schedule 1.1(c);

(d) all of Seller's contracts, agreements, commitments, claims and rights under any such orders, contracts and proposals set forth on Schedule 1.1(d) (the "Assumed Contracts");

(e) all franchise rights to operate the Seller's regulated utility services in its franchise areas;

(f) all contributions in aid of construction ("CIAC"), as set forth on Schedule 1.1(f);

(g) all construction work in process ("CWIP"), as set forth on Schedule 1.1(g);

(h) all inventory of the Seller as of the Closing Date as set forth on Schedule 1.1(h) identifying all of the inventory by product, location and Seller's cost of inventory;

(i) all of Seller's general and other intangibles, trade secrets and information, know-how, methods, processes, formulae, drawings, material and performance specifications and all computer software, owned or licensed;

(j) all of Seller's customer lists, lists of prospective customers, pending quotations, pending new business, files and records, personnel files and records;

(k) all of Seller's licenses and permits that can be transferred to Buyer as set forth on Schedule 1.1(k) together with, if any, all rights of renewal and amenities thereto;

(l) the use of Seller's mailboxes, telephone numbers (cellular and land line), facsimile numbers, electronic addresses and web sites;

(m) copies of all books and records of Seller relating to the assets being transferred including, without limitation, receivables journals and ledgers, invoices, receipts, canceled checks, repair and maintenance records, correspondence related to the operation of Seller's Business and correspondence and materials related to Seller's tax returns, including any declarations, reports or statements,

(n) all of Seller's intellectual property of every kind, including with limitation all trademarks, service marks, logos and marketing materials, and any trade names and designations relating to or used by Seller; and

(o) all domain names and web sites registered to the Seller or to the Shareholder that are related to the Business.

It is expressly agreed that the assets and properties sold hereunder shall include all assets and properties needed by Buyer to own and operate the Business, whether or not listed in any Schedule hereto.

1.2 Excluded Assets. Notwithstanding the foregoing, the Purchased Assets shall not include the following items (the "Excluded Assets"):

(a) all cash on hand in Seller bank accounts;

(b) all accounts receivable of the Seller for services rendered by the Seller as of the Closing Date, all of which are set forth on Schedule 1.2(b) to be completed and delivered to the Buyer as of the Closing Date (the "Accounts Receivable") identifying each account by customer and balance due, which Accounts Receivable the Buyer shall use reasonable efforts to assist the Seller in collection and remittance to the Seller within five (5) business days of the Buyer's receipt thereof, and Buyer agrees (i) that monies received from a customer shall first be applied to the Accounts Receivable of such customer and (ii) to terminate the service of delinquent customers in accordance with NHPUC regulations;

(c) the prorated amount of all service in process reflected by the next meter readings following the Closing and covering the days prior to Closing (the "Prorated Service In Process"), which Prorated Service In Process the Buyer shall use reasonable efforts to assist the Seller in collection and remittance to the Seller within five (5) business days of the Buyer's receipt thereof;

(d) all contracts other than the Assumed Contracts;

(e) the additional Excluded Assets set forth on Schedule 1.2(d) hereto.

1.3 Assumption of Liabilities. The Buyer will assume the following liabilities (the "Assumed Liabilities"):

(a) Seller's obligations under the Assumed Contracts.

(b) Except for the Assumed Liabilities, Buyer will not assume any liabilities or obligations of the Seller of any nature, whether accrued, absolute, contingent or otherwise, asserted or unasserted, known or unknown, in connection with the sale and purchase of the Purchased Assets. Without limiting the preceding sentence, Buyer specifically disclaims any liability of any nature of the Seller in connection with any accounts payable and accrued expenses of the Seller or the Excluded Assets set forth in Section 1.2 and on Schedule 1.2(d).

1.4 Purchase Price.

(a) Payment of Purchase Price. The consideration for the Purchased Assets (the "Purchase Price") shall be equal to the Seller's Closing Rate Base, as determined pursuant to Section 1.4(b). "Closing Rate Base" means the Seller's gross plant less accumulated

depreciation, CIAC, accumulated deferred income taxes, and such other deductions to gross plant that are considered for ratemaking purposes in New Hampshire, all determined as of the Closing Date or, if the Closing Date is not the last day of a month, as of the last day of the month preceding the Closing Date. On the Closing Date, Buyer shall pay by wire transfer of immediately available funds, cashier's or certified check: to the Seller, an amount equal to the Closing Rate Base.

(b) Calculation of Closing Rate Base. At least two (2) weeks prior to the Closing, but no later than one (1) week following the NHPUC Approval, the Seller shall deliver to the Buyer (x) a Closing Rate Base statement (the "Draft Rate Base Statement") setting forth the Closing Rate Base calculations of the Company, calculated consistent with Exhibit A, as of the date of Closing; and (y) all financial, accounting, and other records of the Company necessary, to Buyer's satisfaction, in order to calculate the Closing Rate Base. Within one (1) week of receipt of the Draft Rate Base Statement and supporting financial information from Seller, the Buyer shall provide written notice to Seller of any objections to the Draft Rate Base Statement; and, if such objections are so provided, the parties (and their respective representatives) shall work together in good faith to resolve any differences as to the Draft Rate Base Statement. The Draft Rate Base Statement that is mutually agreed to and accepted by the parties shall be the Closing Rate Base for purposes of the Purchase Price. If the parties cannot agree on the Draft Rate Base Statement within thirty (30) days of the NHPUC approval, then this Agreement shall stand terminated and the parties shall have no further obligations to, or recourse against, each other.

(c) Except as otherwise provided herein, Seller and the Shareholder understand and agree that they are responsible for all taxes associated with the Purchase Price.

1.5 Time and Place of Closing. The closing of the purchase and sale provided for in this Agreement (herein called the "Closing") shall be held at the offices of McLane, Graf, Raulerson & Middleton, Professional Association, 900 Elm Street, 10th floor, Manchester, New Hampshire, as soon as possible after the NHPUC Approval (as defined in Section 2.1(a) below), or at such other time and place as the parties may agree, but no later than thirty (30) business days after the NHPUC Approval. The date of the Closing is hereinafter referred to as the "Closing Date" and the effective time of the Closing of the purchase and sale under this Agreement shall be 11:59 p.m. on the Closing Date.

1.6 Further Assurances. Seller and the Shareholder from time to time after the Closing at the request of Buyer and without further consideration shall execute and deliver further instruments of transfer and assignment and take such other action (including, without limitation, providing any information regarding the Seller's Business) as Buyer may reasonably require to more effectively transfer and assign to, and vest in, Buyer each of the Purchased Assets. Nothing herein shall be deemed a waiver by Buyer of its right to receive at the Closing an effective assignment of each of the leases, contracts, commitments or rights of Seller as otherwise set forth in this Agreement.

1.7 Allocation of Purchase Price. The Purchase Price will be allocated amongst the Purchased Assets as set forth on Schedule 1.7, which has been agreed to by all of the parties to

this Agreement, and the parties shall file all local, state and federal tax returns, including Form 8594, consistent with such Schedule.

1.8 Sales and Transfer Taxes. All sales and transfer taxes (with the exception of New Hampshire real estate transfer taxes, which shall be paid equally by Seller and Buyer), fees and duties under applicable law incurred in connection with this Agreement or the transactions contemplated thereby will be borne and paid by Seller, and Seller shall promptly reimburse Buyer for the payment of any such tax, fee or duty which it is required to make under applicable law. Buyer shall pay the recording fees for the deeds associated with the Purchased Assets and attendant LCHIP fees, while Seller shall pay any fees to record any title or lien clearing documents and any attendant LCHIP fees.

1.9 Real Estate Taxes. Real estate taxes (including those related to utility fixtures and equipment) shall be prorated between Buyer and Seller as of the date of Closing.

## **SECTION 2. CLOSING OBLIGATIONS AND CONDITIONS**

2.1 Conditions to Each Party's Obligations to Effect the Closing. The respective obligations of each party to effect the transaction contemplated hereby are subject to the fulfillment or joint waiver by the parties at or prior to the Closing Date of the following conditions:

(a) Required Approvals. The parties shall have obtained all required regulatory approvals, specifically including the approval of the NHPUC to the acquisition of the assets of both the Seller and of the Seller's affiliate, Lakeland Management Company, Inc. ("Lakeland"), a New Hampshire corporation by the Buyer (together, the "NHPUC Approval"), that all such approvals shall have become final orders, including the expiration of any applicable rehearing or statutory or regulatory appeal periods, and that such final orders shall not impose terms and conditions which, individually or in the aggregate, would have a material adverse effect on the transaction (each party agreeing to use its commercially reasonable efforts to obtain all such approvals);

(b) Simultaneous Purchases. The parties shall have executed and delivered all documents and shall have fulfilled all conditions necessary to close the purchase by Buyer of the business assets of Lakeland and the purchase by Parent of the business assets of C & C Water Services, Inc. ("C & C Water"), a New Hampshire corporation;

(c) Adverse Changes. There shall have been no material adverse changes in the business prospects or condition, financial or otherwise, of the Business or the Purchased Assets;

(d) Litigation. On the Closing Date no suit, action or other proceeding shall be pending or threatened before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator, by which the petitioner or other party seeks to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, which in the opinion of counsel for Buyer makes it inadvisable to proceed with the consummation of such transactions; and

(e) Due Diligence Review. Buyer shall have completed to its satisfaction its due diligence review of the Business, including a review of the Seller's December 31, 2012 year-end financial statements and the Seller's financial statements for the month-end immediately preceding the Closing Date as well as the Real Property inspections and examination of title described in Sections 2.1(f) and 2.1(g) below.

(f) Inspections. The "Inspection Period" shall commence on the date hereof and terminate at 5:00 P.M. (Eastern Daylight Savings Time) on October 8, 2013 (sixty (60) days from the date of this Agreement). Buyer shall have the right, upon notice to the Seller, to enter upon the Real Property at reasonable times and places, in order to conduct inspections, examinations and surveys of the Real Property, so long as said inspections do not unreasonably interfere with Seller's operation and maintenance of the Business. Buyer shall be responsible for the conduct of its agents, employees and contractors and shall indemnify and hold harmless Seller from any and all claims made pursuant to said inspections and examinations. Buyer shall have until the expiration of the Inspection Period to conduct its due diligence on the Real Property. Buyer may, for any or no reason, terminate this Agreement by giving written notice of termination ("Termination Notice") to Seller on or before the expiration of the Inspection Period. Upon receipt by Seller of such Termination Notice, this Agreement shall be terminated and the parties shall have no further obligations to or recourse against each other.

(g) Examinations of Title. The Buyer shall have until the expiration of the Inspection Period to examine title to the Property, at the Buyer's expense, and to make any objections thereto to the Seller in writing. If Buyer fails to make any objections on or before the expiration of the Inspection Period, the Buyer shall be deemed to have accepted all exceptions to title that would have been shown in a title commitment, survey or UCC search, all such exceptions and matters and any matters caused by or through the Buyer shall be referred to herein as "Permitted Exceptions". If any objections to title, survey or a UCC search are made properly on or before the expiration of the Inspection Period, the Seller shall have the right, but not the obligation, exercisable by written notice to the Buyer within fourteen (14) days after delivery of Buyer's objections, to cure (by removal, endorsement over, or otherwise) such objections to the Buyer's reasonable satisfaction, on or before the Closing Date. If no such notice from the Seller concerning such election is received by the Buyer by such date, the Seller shall be deemed to have elected not to cure any such objections. If any such objections are not cured by the Seller by the scheduled Closing Date, the Buyer shall have the option to either terminate the Agreement and neither party shall thereafter have any claim against the other, or to accept the transfer of such title as the Seller is able to convey and pay the full Purchase Price thereof. At no cost to Seller, Buyer shall deliver to Seller's counsel a complete copy of the abstract of title and title opinion obtained or prepared for this transaction as soon as Buyer or Buyer's counsel receives it, or is entitled to receive it.

(h) Water Supplies/Sewage Disposal Disclosure: Attached hereto and incorporated herein as Exhibit B is the Water Supply and Sewage Disposal Disclosure made pursuant to New Hampshire RSA 477:4-c. The Buyer acknowledge receipt of this Disclosure and agrees that the Seller has complied with RSA 477:4-c.

(i) Radon Gas/Lead Paint: Attached hereto and incorporated herein as Exhibit C is the Radon Gas and Lead Paint Disclosure made pursuant to RSA 477:4-a. The

Buyer acknowledge receipt of this Disclosure and agrees that the Seller has complied with RSA 477:4-a.

2.2 Seller's and Shareholder's Closing Deliverables. At or prior to the Closing, except as otherwise noted, Seller and the Shareholder shall deliver, or cause to be delivered, to Buyer the following documents in such form and substance as are satisfactory to Buyer and Buyer's counsel:

(a) Such executed and, as appropriate, notarized transfer documents as may be requested by Buyer or its counsel in order that good and marketable title to the Purchased Assets shall pass from Seller to Buyer;

(b) A Warranty Deed for each parcel of the Real Property running to the Buyer conveying good, clear, record, marketable and insurable title in fee simple absolute;

(c) Evidence satisfactory to Buyer and Buyer's counsel of Seller's amendment to its Articles of Incorporation to change its name from "White Rock Water Company" to a name that is substantially dissimilar, effective following the Closing;

(d) Pay-off letters and evidence of release of encumbrances on the Purchased Assets;

(e) Certificate of good standing of Seller from the New Hampshire Secretary of State dated as of a date that is within ten (10) days of the Closing;

(f) Certificate of Secretary of Seller certifying (i) adoption of resolutions of the Board of Directors and the Shareholder of Seller approving and authorizing the Agreement and the transactions contemplated hereby, and (ii) the incumbency of the officers of Seller executing this Agreement and other documents delivered pursuant to this Agreement;

(g) A certificate signed by Seller's President and the Shareholder, dated as of the Closing Date, certifying that (i) all of the representations and warranties of Seller and the Shareholder hereunder are true and accurate on and as of the Closing Date and (ii) that all the covenants of Seller and the Shareholder have been duly performed on and as of the Closing Date;

(h) A copy of Seller's Articles of Incorporation, as amended, certified by the Secretary of State of New Hampshire;

(i) A copy of Seller's Bylaws certified by the Secretary of Seller;

(j) All of Seller's leases, contracts, commitments, agreements and rights relating to the Purchased Assets, with such assignments thereof and consents to assignments as are necessary to assure Buyer of the full benefit of the same;

(k) All of Seller's current business records, books and other data relating to the Purchased Assets shall be maintained in the Gilford, New Hampshire office of the Seller with Buyer's right to fully access such records, books, and data at any time;

(l) The Seller and Shareholder shall have executed and delivered to Buyer and Parent a Confidentiality, Non-Competition, and Non-Solicitation Agreement in substantially the form of Exhibit D attached hereto (the "Non-Competition Agreement");

(m) Seller shall have made all filings with and notifications of governmental authorities, regulatory agencies and other entities required to be made by Seller in connection with the execution and delivery of this Agreement, the performance of the transactions contemplated hereby and the continued operation of the Business of Seller by Buyer subsequent to the Closing; and Seller and Buyer shall have received all authorizations, waivers, consents and permits, in form and substance reasonably satisfactory to Buyer, from all third parties, including, without limitation, applicable governmental authorities, regulatory agencies, including the NHPUC, lessors, lenders and contract parties, required to permit the continuation of the Business of Seller and the consummation of the transactions contemplated by this Agreement, and in connection with the transfer of Purchased Assets or Seller's contracts, permits, leases, licenses and franchises, to avoid a breach, default, termination, acceleration or modification of any indenture, loan or credit agreement or any other agreement, contract, instrument, mortgage, lien, lease, permit, authorization, order, writ, judgment, injunction, decree, determination or arbitration award as a result of, or in connection with, the execution and performance of this Agreement; and

(n) Such other documents, agreements or instruments that Buyer may reasonably request that do not materially expand the Seller's obligations under this Agreement but rather only evidence Seller's or Shareholder's compliance with its terms.

2.3 Buyer's Closing Deliverables. At or prior to the Closing, except as otherwise noted, Buyer shall deliver, or cause to be delivered, to or on behalf of, Seller in such form and substance as are satisfactory to Seller and Seller's counsel:

- (a) The Purchase Price, payable in accordance with Section 1.4;
- (b) An executed copy of the Non-Competition Agreement with each of Seller and Shareholder;
- (c) Certificate of the Secretary of Buyer certifying (i) adoption of resolutions of the Board of Directors of Buyer and the Board of Directors of Parent approving and authorizing the Agreement and the transactions contemplated hereby, (ii) the incumbency of the officers or managers of Buyer and Parent executing this Agreement and or the other documents delivered pursuant to this Agreement, as applicable;
- (d) A certificate signed by Buyer's President, dated as of the Closing Date, certifying that all of the representations and warranties of Buyer hereunder are true and accurate on and as of the Closing Date; and
- (e) Such other documents, agreements or instruments that Seller may reasonably request that do not materially expand the Buyer's obligations under this Agreement but rather only evidence Buyer's compliance with its terms.

### **SECTION 3.     REPRESENTATIONS AND WARRANTIES OF SELLER AND THE SHAREHOLDER**

3.1     Making of Representations and Warranties. As a material inducement to Buyer to enter into this Agreement and consummate the transactions contemplated hereby, Seller and Shareholder jointly and severally hereby make to Buyer the representations and warranties contained in this Section 3.

3.2     Corporate Organization and Qualifications of Seller. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of New Hampshire. Seller has the corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted, and is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified, either individually or in the aggregate, would not have a Material Adverse Effect on Seller. "Material Adverse Effect" as used in this Agreement means a material adverse effect on the properties, business, assets, financial condition or prospects of the relevant party and its affiliates, taken as a whole. The Articles of Incorporation as amended to date, certified by the New Hampshire Secretary of State, and the Bylaws or other similar governing documents of Seller as amended to date, certified by Seller's Secretary, copies of which have previously been delivered to Buyer, are true, complete and correct copies of such documents as in effect as of the date of this Agreement. Seller is not in violation of any term of its Articles of Incorporation or Bylaws.

3.3     Capitalization. The Shareholder owns beneficially and of record all of the issued and outstanding shares of capital stock of Seller. Seller does not have and is not bound by any outstanding subscriptions, options, warrants, calls, commitments, rights agreements or agreements of any character calling for the purchase or issuance of any shares of its capital stock. There are no voting agreements, trusts, proxies or other agreements, instruments or undertakings with respect to the voting of Seller's capital stock to which Seller or Shareholder are a party. Shareholder holds her shares free and clear of all liens, charges, encumbrances and security interests, all such shares are, and as of the Closing, will be, duly authorized and validly issued and are fully paid, non-assessable and free of all preemptive rights, liens, charges, encumbrances and securities interests, of any kind or nature whatsoever, with no personal liability attaching to the ownership thereof.

3.4     Authority of Seller and the Shareholder. Seller has full right, authority and power to enter into this Agreement and each agreement, document and instrument to be executed and delivered by Seller pursuant to this Agreement and to carry out the transactions contemplated hereby. The execution, delivery and performance by Seller of this Agreement and each such other agreement, document and instrument have been duly authorized by all necessary action of Seller and the Shareholder and no other action on the part of Seller or the Shareholder is required in connection therewith. This Agreement and all ancillary documents have been duly and validly executed and delivered by Seller and or the Shareholder as applicable, and this Agreement and the ancillary documents constitute valid, legal and binding obligations of Seller and Shareholder, and are enforceable against Seller and Shareholder in accordance with their terms, except that such enforceability may be limited by applicable bankruptcy, insolvency, moratorium or other

similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity.

3.5 Consents and Approvals; No Violation. Except as set forth on Schedule 3.5, the execution and delivery of this Agreement by Seller and Shareholder, the consummation of the transactions contemplated by this Agreement, the sale of the Purchased Assets, and the assumption of the Assumed Liabilities pursuant to the terms of this Agreement, do not require any consent, approval, authorization or permit of, or filing with or notification to, any governmental or regulatory authority or any third party, and will not violate or breach any order, writ, injunction, decree, statute, contract, agreement, rule or regulation applicable to Seller, Shareholder, the Business, or any of the Purchased Assets.

3.6 Real and Personal Property.

(a) Seller has no leaseholds and no fee interest in any land or buildings other than the property described in the deeds attached hereto in Schedule 1.1(b) (the "Real Property"). The Real Property is not subject to any outstanding option, right of first refusal or agreement of sale, other than this Agreement. Neither the Seller nor Shareholder has received any notice from any governmental authority concerning, or has any knowledge of (A) any special tax or other assessment to be levied against any of the Real Property or (B) any change in the tax assessment of any of the Real Property. Seller has not granted any other person any right to use or occupy any portion of the Real Property. To the best of the Seller's or Shareholder's knowledge, there is no action, pending or threatened, to change the zoning or building ordinances or any other laws, rules, regulations or ordinances affecting the Real Property. Seller has not received any notices of any violation of any applicable federal, state or local laws, ordinances or regulations with regard to the Real Property, which have not been finally resolved. There are no condemnation, environmental, zoning or other land use regulation proceedings, either instituted or, to the knowledge of the Seller or Shareholder, planned to be instituted, that would affect the Real Property. To the best of the Seller's or Shareholder's knowledge, all buildings, structures, and equipment that are a part of the Purchased Assets and purportedly located on the Real Property lie wholly within the boundaries of Real Property. None of the buildings, structures or equipment that are a part of the Assets, nor the operation and maintenance thereof, violates any restrictive covenant other than such violations, if any, which are not, individually or in the aggregate, reasonably likely to have a Material Adverse Effect. Seller has obtained, possesses, and is in compliance with all licenses, permits, approvals, certificates, and other authorizations required by applicable laws for the use and occupancy of the Real Property as it is currently being utilized, including, without limitation, zoning variances. Seller has not granted any mortgage, pledge, lien, conditional sale agreement, security agreement, encumbrance or other charge on the Real Property which remains outstanding except as specifically disclosed in said Schedule.

(b) Personal Property. A complete description of all the tangible personal property owned or leased by Seller and used in connection with the Business is contained in Schedule 3.6(b). Except as specifically disclosed in said Schedule, Seller has good and marketable title to all of its owned and leased personal property. None of such personal property or assets is subject to any mortgage, pledge, lien, conditional sale agreement, security agreement, encumbrance or other charge except as specifically disclosed in said Schedule.

(c) Sufficiency of Assets. The Purchased Assets are all of the assets used or held for use in the operation of the Business of Seller as the same has been operating prior to the date hereof.

3.7 Intellectual Property. To Seller's knowledge, Seller has ownership of, or license to use, any patent, copyright, trade secret, trademark, trade name or other proprietary rights (collectively, "Intellectual Property") used or to be used in the Business of Seller as presently conducted or contemplated. Seller's rights in all of such Intellectual Property are freely transferable. To Seller's knowledge, Seller has the right to use, free and clear of all claims or rights of other persons, all customer lists, lists of prospective customers, customer files and records, computer software, systems, data compilations, research results and other information required for or incident to its products or its Business as presently conducted or contemplated.

(b) To Seller's knowledge, the present and contemplated business, activities and products of Seller do not infringe any Intellectual Property of any other person. No proceeding charging Seller with infringement of any adversely held Intellectual Property has been filed or, to the best knowledge of Seller and the Shareholder, is threatened to be filed. Seller is not making unauthorized use of any confidential information or trade secrets of any person, including without limitation, any former employer of any past or present employee of Seller. To Seller's knowledge, none of Seller's employees have any agreements or arrangements with any persons other than Seller related to confidential information or trade secrets of such persons or restricting any such employee's ability to engage in business activities of any nature. The activities of their employees on behalf of Seller do not violate any such agreements or arrangements known to Seller or the Shareholder.

3.8 Financial Statements; Absence of Certain Changes. Seller has delivered to Buyer, or will deliver to the Buyer on or before the Closing Date, the following financial statements, copies of which are attached hereto as Schedule 3.8 (the "Financial Statements"):

(i) Financial statements of Seller for the twelve months ended December 31, 2012, and

(ii) Financial statements for year to date for the period ending the month immediately preceding the Closing Date.

Said financial statements have been prepared, are complete and correct in all material respects, and present fairly the financial condition of Seller at the dates of said statements and the results of its operations and its cash flows for the periods covered thereby.

Since December 31, 2012, (a) there has been no change in the assets, liabilities or financial condition of the assets of the Seller from that reflected in the Financial Statements except for changes in the ordinary course of business consistent with past practice and which have not had a Material Adverse Effect and (b) to the Seller's knowledge, none of the business, prospects, financial condition, operations, property or affairs of the Seller has been materially adversely affected by any occurrence or development, individually or in the aggregate, whether or not insured against.

(b) Except as set forth on Schedule 3.8, as of the Closing, Seller has no known liabilities of any nature, whether accrued, absolute, contingent or otherwise, asserted or unasserted, (including without limitation liabilities as guarantor or otherwise with respect to obligations of others, or liabilities for taxes due or then accrued or to become due or contingent or potential liabilities relating to activities of Seller or the conduct of its business prior to the Closing regardless of whether claims in respect thereof had been asserted as of such date).

3.9 Taxes. All tax returns required to be filed by Seller with respect to the Business and the Purchased Assets have been filed, including but not limited to any sales tax returns, and all taxes shown to be due on such tax returns have been paid in full. No notice of deficiency or assessment has been received from any taxing authority with respect to liabilities for taxes of Seller with respect to the Business or the Purchased Assets or of the Shareholder, which have not been fully paid or finally settled. There are no outstanding agreements or waivers extending the applicable statutory periods of limitation for taxes of Seller associated with the Purchased Assets or the Business for any period.

3.10 Collectibility of Accounts Receivable. Attached hereto as Schedule 3.10 is a true, correct, and complete listing of all of the accounts receivable of the Business as of the Closing Date (the "Accounts Receivable"), including an aging showing how long the Accounts Receivable have been outstanding. To the best of Seller's and the Shareholder's knowledge, all of the Accounts Receivable of Seller shown or reflected on Schedule 3.10 or existing at the date hereof (less the reserve for bad debts set forth on the financial statements delivered under Section 3.8) are or will be at the Closing valid and enforceable claims, fully collectable and subject to no setoff or counterclaim. Except as set forth on Schedule 3.10, Seller does not have any accounts or loans receivable from any person, firm or corporation which is affiliated with Seller or from any director, officer or employee of Seller, and all accounts and loans receivable from any such person, firm or corporation shall be paid in cash prior to the Closing.

3.11 Accounts Payable. Attached hereto as Schedule 3.11 is a true, correct, and complete listing of all of the accounts payable of the Business as of the Closing Date (the "Accounts Payable"), including an aging showing when such amounts were due. All such Accounts Payable arose from bona fide transactions in the ordinary course of business. Except as set forth on Schedule 3.11, Seller and the Shareholder are not aware of any circumstance, situation, reason, or other basis that currently exists or is likely to arise which would or might reasonably result in any vendor or supplier failing or refusing to provide to Buyer the equipment, materials, or other supplies of the type and quantity provided by such vendor or supplier during the one (1) year period preceding the Closing Date, or to otherwise conduct business with Buyer after the Closing Date.

3.12 Contracts. Except as disclosed on Schedule 3.12 (true and complete copies of which have been delivered to Buyer), Seller is not a party to or subject to:

(a) any other contracts or agreements creating any obligations of Seller of \$2,500 or more with respect to any such contract or agreement not specifically disclosed elsewhere under this Agreement;

- (b) any contract or agreement which by its terms does not terminate at the Closing or is not terminable without penalty by Seller or any successor or assign after the Closing;
- (c) any contract or agreement for the sale or lease of its products or services not made in the ordinary course of business;
- (d) any contract containing covenants limiting the freedom of Seller to compete in any line of business or with any person or entity;
- (e) any license agreement (as licensor or licensee) except for off the shelf software used in connection with the Business;
- (f) any indenture, mortgage, promissory note, loan agreement, guaranty or other agreement or commitment for the borrowing of money;
- (g) any contract or agreement with any officer, employee, director or stockholder of Seller or with any persons or organizations controlled by or affiliated with any of them; or
- (h) any employment contract or contract for services which is not terminable within 30 days by Seller without liability for any penalty or severance payment.

Seller is not in default under any such contracts, commitments, plans, agreements or licenses described in said Schedule including, without limitation, any record retention requirements, and neither Seller nor either Shareholder has any knowledge of conditions or facts which with notice or passage of time, or both, would constitute a default.

3.13 Litigation. Except as set forth on Schedule 3.13, there is no currently pending or, to the knowledge of Seller or either Shareholder, threatened litigation and governmental or administrative proceedings or investigations to which Seller or any Shareholder is a party. There is no litigation or governmental or administrative proceeding or investigation pending or, to the knowledge of Seller or Shareholder, threatened (including but not limited to any proceeding before the NHPUC) against Seller or to which Seller is a party (either as a named party or intervenor), any affiliate of Seller or any subsidiary of any affiliate of Seller which may have any adverse effect on Seller's properties, assets, prospects, financial condition or business or which would prevent or hinder the consummation of the transactions contemplated by this Agreement. To the knowledge of Seller or either Shareholder, there is no information, investigation, proceeding, accusation or inquiry relating to Seller or either Shareholder which may give rise to any claim which may have an adverse effect on the Purchased Assets. There are no existing claims under any errors and omissions insurance policy or policies naming the Seller or any Shareholder as an insured.

3.14 Compliance with Laws. To Seller's knowledge, Seller is in compliance with all applicable statutes, ordinances, orders, judgments, decrees and rules and regulations promulgated by any federal, state, municipal or other governmental authority which apply to Seller or to the conduct of its business, including, without limitations, environmental laws, anti-money laundering and privacy laws and regulations and any record retention requirement, and Seller has

not received notice of a violation or alleged violation of any such statute, ordinance, order, rule or regulation.

3.15 Finder's Fee. Neither Seller nor either Shareholder has incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other similar payments in connection with the sale of Seller's Business or the Purchased Assets or in connection with the transactions contemplated by this Agreement.

3.16 Employee Matters; Independent Contractors. Schedule 3.16(a) lists all employee benefit plans which are or have been maintained or contributed to by Seller or to which Seller has been obligated to contribute. None of the employee benefit plans of the Seller will be assumed by the Buyer and Seller shall remain responsible for any and all liabilities thereunder.

(b) Schedule 3.16(b) sets forth an accurate and complete list of all current employees of Seller as of the date hereof and their hourly rates of compensation or base salaries (as applicable). Seller has complied in all material respects with all laws, rules, regulations, ordinances, orders, judgments and decrees relating to the hiring of employees and the employment of labor, including provisions thereof relating to wages, hours, equal opportunity, collective bargaining and the withholding and payment of social security and other taxes.

(c) Schedule 3.16(c) sets forth an accurate and complete list of all current independent contractors of Seller as of the date hereof and their rates of compensation.

(d) Seller is not delinquent in payments to any of its employees or independent contractors for any wages, salaries, commissions, bonuses or other direct compensation for any services performed by them to date or amounts required to be reimbursed to such employees or independent contractors and, upon termination of the employment or engagement of any such employees or independent contractors, neither Buyer nor Seller will by reason of anything done prior to the Closing be liable to any of such employees for severance pay or any other payments; there is no unfair labor practice complaint against Seller pending before the National Labor Relations Board or any other governmental authority.

3.17 Permits; Burdensome Agreements. To Seller's knowledge, Seller has obtained all permits, registrations, licenses, franchises, certifications and other approvals (collectively, the "Approvals") required from federal, state or local authorities in order for Seller to conduct its business, which Approvals are set forth on Schedule 3.17. To Seller's knowledge, all such Approvals are valid and in full force and effect, and Seller is operating in compliance therewith. Seller has not received any notice of a violation or alleged violation of any such Approval. Such Approvals include, but are not limited to, those required under federal, state or local statutes, ordinances, orders, requirements, rules, regulations, or laws pertaining to environmental protection, public health and safety, worker health and safety, buildings, highways or zoning. Other than the agreements disclosed by Seller in any schedule or exhibit hereto, Seller is not subject to or bound by any agreement, judgment, decree or order which would have a Materially Adverse Effect.

3.18 Environmental Matters. The Company is in compliance with Environmental Laws (which compliance includes, but is not limited to, the possession by the Company of all

permits and other governmental authorizations required under applicable Environmental Laws, and compliance with the terms and conditions thereof). The Company has not received any written notice, report or other information regarding any actual or alleged material violation of Environmental Laws, or any material liabilities or potential material liabilities (whether accrued, absolute, contingent, unliquidated or otherwise), including any investigatory, remedial or corrective obligations, relating to the Company, the Business or any of the Company's facilities arising under Environmental Laws. There is no Environmental Claim pending or, to the knowledge of the Company, threatened against the Company. There are no past or present actions, activities, circumstances, conditions, events or incidents which reasonably would be expected to form the basis of an Environmental Claim against the Company. "Environmental Claim" means any action, investigation or notice by any person alleging potential liability (including potential liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, or penalties) arising out of, based on or resulting from (i) the presence, release or threatened release of any hazardous materials at any location, whether or not owned or operated by the Company, or (ii) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law. "Environmental Laws" means all applicable federal, state and local statutes or laws, judgments, orders, regulations, licenses, permits, rules and ordinances relating to pollution or protection of health, safety or the environment, including, but not limited to the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), Resources Conservation and Recovery Act (42 U.S.C. §6901 et. seq.), Safe Drinking Water Act (42 U.S.C. §3000(f) et. seq.), Toxic Substances Control Act (15 U.S.C. §2601 et seq.), Clean Air Act (42 U.S.C. §7401 et. seq.), Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 et seq.), and other similar state and local statutes.

3.19 Disclosure. The representations, warranties and statements contained in this Agreement and in the certificates, exhibits and schedules delivered by Seller and the Shareholder pursuant to this Agreement to Buyer do not contain any untrue statement of a material fact, and, when taken together, do not omit to state a material fact required to be stated therein or necessary in order to make such representations, warranties or statements not misleading in light of the circumstances under which they were made. To Seller's knowledge, there are no facts which presently or may in the future have a Material Adverse Effect on the business, properties, prospects, operations or condition of Seller, Seller's Business being sold to Buyer, or the Purchased Assets, which have not been specifically disclosed herein or in a Schedule furnished herewith, other than general economic conditions affecting Seller's industry.

3.20 Transactions with Interested Persons. Except as set forth in Schedule 3.20, Seller is not a party to or subject to any loans, leases, or other agreements or transactions with any present or former stockholder, director, officer, affiliated entity or person, or employee of the Seller or, to the Seller's knowledge, any of their respective spouses or family members other than as has been disclosed and filed with the NHPUC pursuant to New Hampshire RSA 366. Neither Seller, Shareholder, nor any officer, supervisory employee or director of Seller or, to the knowledge of Seller and the Shareholder, any of their respective spouses or family members owns directly or indirectly on an individual or joint basis any material interest in, or serves as an officer or director or in another similar capacity of, any competitor, supplier or key customer of Seller, or any organization which has a material contract or arrangement with Seller.

3.21 Insurance. All of Sellers' tangible assets are insured with respect to loss due to fire and other risks in accordance with good industry practice and in amounts and with types of coverage adequate to insure fully against risks to which Seller and its assets are normally exposed in the operation of the Business. Neither Seller, the Shareholder, nor any officer, supervisory employee or director of Seller has received notice that any insurer under any policy referred to in this Section is denying liability with respect to a claim thereunder or defending under a reservation of rights clause.

#### **SECTION 4. COVENANTS OF SELLER AND THE SHAREHOLDER**

4.1 Making of Covenants and Agreements. Seller and the Shareholder hereby make the respective covenants and agreements set forth in this Section 4.

4.2 Consummation of Agreement. Seller and the Shareholder shall use their best efforts to perform and fulfill all conditions and obligations on their parts to be performed and fulfilled under this Agreement, to the end that the transactions contemplated by this Agreement shall be fully carried out. To this end, Seller will obtain prior to the Closing all necessary authorizations or approvals of its Shareholder and Board of Directors.

4.3 Cooperation of Seller. Seller and the Shareholder shall cooperate with all reasonable requests of Buyer and Buyer's counsel in connection with the consummation of the transactions contemplated hereby.

4.4 Non-Competition. Seller and Shareholder shall enter into the Non-Competition Agreement.

4.5 NHPUC Petition. Promptly after execution of this Agreement by the parties, the Buyer shall prepare, the Seller shall sign, and the Buyer will file with the NHPUC a petition for approval of the proposed transfer of Purchased Assets contemplated by this Agreement. The Buyer shall prosecute such petition, and the Seller and the Shareholder will cooperate and fully participate in the proceeding relating to such petition. The Buyer shall pay all costs and expenses of said petition and prosecution, except for (i) Seller's and Shareholder's attorneys' fees, and (ii) Seller's or Shareholder's costs or fees associated with providing testimony or responding to data requests.

4.6 Taxes and Tax Returns. Seller, in accordance with applicable law, shall (i) promptly prepare and file on or before the due date or any extension thereof all federal, state and local tax returns required to be filed by it with respect to taxable periods of Seller that include any period ending on or before the Closing or including any income or gain relating to the sale of the Purchased Assets (including any reported under the installment method), and (ii) pay all taxes of Seller attributable to periods ending on or before the Closing or relating to the sale of the Purchased Assets (including any reported under the installment method).

4.7 Retention of Employees and Independent Contractors. Effective as of the Closing Date, Seller shall terminate the employment of each of its employees and Buyer will not assume or be responsible for any compensation or benefits owed by Seller to its employees. Seller will assist the Buyer in encouraging key employees and independent contractors of the Seller to become employees or independent contractors of the Buyer.

## **SECTION 5.     REPRESENTATIONS AND WARRANTIES OF BUYER**

5.1     Making of Representations and Warranties. As a material inducement to Seller and the Shareholder to enter into this Agreement and consummate the transactions contemplated hereby, Buyer hereby makes the representations and warranties to Seller and the Shareholder contained in this Section 5.

5.2     Organization of Buyer and Parent. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of New Hampshire with full corporate power to own or lease its properties and to conduct its business in the manner and in the places where such properties are owned or leased or such business is conducted by it. One Hundred Percent (100%) of the equity interests in the Buyer are owned by the Parent. Parent is a corporation duly organized, validly existing and in good standing under the laws of the State of Connecticut with full corporate power to own or lease its properties and to conduct its business in the manner and in the places where such properties are owned or leased or such business is conducted by it.

5.3     Authority of Buyer. Buyer has full right, authority and power to enter into this Agreement, and each agreement, document and instrument to be executed and delivered by Buyer pursuant to this Agreement and to carry out the transactions contemplated hereby. This Agreement and each other agreement, document and instrument executed and delivered by Buyer pursuant to this Agreement constitute, or when executed and delivered will constitute, valid and binding obligations of Buyer enforceable in accordance with their terms.

5.4     Litigation. There is no litigation or governmental or administrative proceeding or investigation pending or, to its knowledge, threatened against Buyer or Parent, which would prevent or hinder the consummation of the transactions contemplated by this Agreement.

## **SECTION 6.     SURVIVAL; INDEMNIFICATION**

6.1     Survival of Representations, Warranties, Etc. All representations and warranties herein or in any exhibit, schedule or certificate delivered by any party incident to the transactions contemplated hereby (except deeds) shall survive the Closing for a period of three (3) years, provided however that (a) the representations and warranties set forth in Sections 3.2 (Corporate Organization and Qualifications of the Seller), 3.4 (Authority of Seller and the Shareholder), 3.6 (Real and Personal Property), 3.20 (Transactions with Interested Persons), 5.2 (Organization of Buyer and Parent), and 5.3 (Authority of Buyer) shall survive the Closing indefinitely; (b) the representations and warranties set forth in Section 3.9 (Taxes) shall survive until the expiration of the applicable statute of limitations; and (c) the three (3) year time limit shall not apply to any breach of representations or warranties arising out of the fraudulent statements or intentional omissions of the Seller, the Shareholder, or the Buyer. Warranties in deeds shall continue as provided by law.

6.2     Indemnification by the Seller and Shareholder. The Seller and the Shareholder will jointly and severally indemnify, defend and hold harmless the Buyer from and against any and all claims, demands or suits, losses, liabilities, damages (including consequential or special damages), obligations, payments, costs and expenses (including, without limitation, the costs and

expenses of any and all actions, suits, proceedings, assessments, judgments, settlements and compromises relating thereto and reasonable attorneys' fees and reasonable disbursements in connection therewith) asserted against or suffered by the Buyer relating to, resulting from or arising out of the following:

- (a) the operation of the Business before the Closing Date;
- (b) any breach by the Seller or any Shareholder, of any covenant, representation, warranty, or agreement of the Seller, or the Shareholder, contained in this Agreement;
- (c) any and all liabilities and obligations of, or claims against, the Seller or the Shareholder not expressly assumed by Buyer under this Agreement; or
- (d) any liability of the Seller or the Shareholder due before the Closing Date, under that certain Agreement between the Seller and Village Shores Estates Association dated July 1, 1987.

6.3 Indemnification by the Buyer. The Buyer will indemnify, defend and hold harmless the Company and the Shareholder, from and against any and all claims, demands or suits, losses, liabilities, damages (including consequential or special damages), obligations, payments, costs and expenses (including, without limitation, the costs and expenses of any and all actions, suits, proceedings, assessments, judgments, settlements and compromises relating thereto and reasonable attorneys' fees and reasonable disbursements in connection therewith) asserted against or suffered by the Company or the Shareholder, relating to, resulting from or arising out of the following:

- (a) the operation of the Business after the Closing Date; and
- (b) any breach by the Buyer of any covenant, representation, warranty, or agreement of the Buyer contained in this Agreement.
- (c) The expiration, termination or extinguishment of any covenant, representation, warranty, or agreement shall not affect the parties' obligations under this Section 6 if the party to be indemnified provided the party required to provide indemnification under this Agreement with proper notice of the claim or event for which indemnification is sought prior to such expiration, termination or extinguishment.

6.4 Indemnification Procedures. The procedure set forth below shall be followed with respect to every claim for indemnification.

- (a) Notice. The party seeking indemnification (the "Indemnified Party") shall give to the party from whom indemnification is sought (the "Indemnifying Party") written notice of any claims for which indemnity is sought under Section 6.2 or 6.3 promptly, but in any event within thirty (30) calendar days after the Indemnified Party receives notice thereof; provided, however, that failure by the Indemnified Party to give such notice shall not relieve the Indemnifying Party from any liability it shall otherwise have pursuant to this Agreement, except

to the extent that the Indemnifying Party is actually prejudiced by such failure. Such notice shall set forth in reasonable detail the basis for such potential claims and shall be given in accordance with Section 8.3 below. The indemnification period provided for herein shall be tolled for a particular claim for the period beginning on the date that the Indemnified Party receives written notice of such claims until the final resolution thereof;

(b) Defense and Control of Third Party Claims. The Indemnifying Party shall have the right, at its option, to be represented by counsel of its choice and to assume the defense or otherwise control the handling of any third party claims for which indemnity is sought by notifying the Indemnified Party in writing to such effect within thirty (30) business days of receipt of such notice. If the Indemnifying Party does not give timely notice in accordance with the preceding sentence, the Indemnifying Party shall be deemed to have given notice that it does not wish to control the handling of such third party claims for which indemnity is sought. In the event the Indemnifying Party elects (by written notice within such thirty (30) business-day period) to assume the defense of or otherwise control the handling of any such third party claims for which indemnity is sought, the Indemnifying Party shall indemnify and hold harmless the Indemnified Party from and against all claims suffered therefrom. In the event that the Indemnifying Party does not assume the defense or otherwise control the handling of third party claims for which the Indemnified Party is entitled to indemnification hereunder, the Indemnified Party may retain counsel, as an indemnifiable expense, to defend such third party claims.

(c) Cooperation. The parties shall cooperate in the defense of any third party claims and each shall make available all books and records which are relevant in connection with such third party claims. The Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to any matter which does not include a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all liability with respect thereto, without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld.

(d) Limitation of Liability. The Shareholder's aggregate liability to the Buyer under Section 6.2 shall be limited to the Purchase Price (the "Indemnification Cap"), provided however, that the Indemnification Cap shall not apply to any indemnification claims under Section 6.2 arising out of any fraudulent statements or intentional misstatements or omissions of the Seller or the Shareholder or any indemnification claims arising out of the gross negligence or willful misconduct of the Seller or the Shareholder, or the Seller's directors, officers, employees, consultants, or agents.

## **SECTION 7. RIGHTS AND OBLIGATIONS SUBSEQUENT TO CLOSING**

7.1 Collection of Assets. Subsequent to the Closing, Buyer shall have the right and authority to collect all receivables and other items transferred and assigned to it by Seller hereunder and to endorse with the name of Seller any checks received on account of such receivables or other items, and Seller agrees that it will promptly transfer or deliver to Buyer from time to time, any cash or other property that Seller may receive with respect to any claims, contracts, licenses, leases, commitments, sales orders, purchase orders, receivables of any character or any other items included in the Purchased Assets.

(b) Seller hereby irrevocably appoints Buyer or any officers of Buyer, each acting singularly, as its attorney-in-fact with full power and authority to endorse and deposit checks and any other assets transferred hereunder and to execute and deliver forms and documents necessary to effect the conveyance and transfer of the Purchased Assets, as fully as Seller could or might do if present.

7.2 Payment of Obligations. Seller shall pay all of its liabilities in the ordinary course of business as they become due.

7.3 Proration of Expenses. All expenses relating to the Purchased Assets attributable to the period prior to the Closing Date shall be borne by Seller and all such expenses attributable to the period on or after the Closing Date shall be borne by Buyer. Each of Seller and the Shareholder (on the one hand) and Buyer (on the other hand) shall cooperate with the other party to effect the proration of expenses set forth in the preceding sentence and shall promptly reimburse the other party for any expenses of such first party that have been paid by such other party.

## **SECTION 8. GENERAL PROVISIONS**

8.1 Expenses. Unless otherwise expressly provided in this Agreement, whether or not this Agreement and the transactions contemplated hereby are consummated, Buyer, Seller and the Shareholder will each pay their respective expenses in connection with this Agreement and the transactions contemplated hereby.

8.2 Termination of Agreement. This Agreement may be terminated:

(a) By Buyer upon the material breach by the Seller or Shareholder of any representation, warranty, covenant, agreement, undertaking, or restriction contained in this Agreement, which has not been cured by the earlier of (i) ten (10) days after the giving of notice by Buyer to the Seller or Shareholder of such breach, or (ii) the Closing Date; or

(b) By the Seller or Shareholder upon the material breach by Buyer of any representation, warranty, covenant, agreement, undertaking, or restriction contained in this Agreement, which has not been cured by the earlier of (i) ten (10) days after the giving of notice by Seller or Shareholder to Buyer of such breach, or (ii) the Closing Date;

(c) By Buyer, upon the failure of the Seller or Shareholder to satisfy any of the conditions required to be satisfied by the Seller or Shareholder pursuant to this Agreement;

(d) By the Seller or Shareholder, upon the failure of the Buyer to satisfy any of the conditions required to be satisfied by Buyer pursuant to this Agreement; or

(e) By mutual agreement of the parties in writing.

8.3 Governing Law. This Agreement shall be construed under and governed by the internal laws of the State of New Hampshire without regard to its conflict of laws provisions.

8.4 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, telecopied (with confirmation), or delivered by an express courier (with confirmation) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Buyer, to:

Donald J.E. Vaughan, President  
Abenaki Water Co., Inc.  
37 Northwest Drive  
Plainville, CT 06062

with a copy to:

Steven V. Camerino, Esquire  
McLane, Graf, Raulerson & Middleton,  
Professional Association  
11 South Main Street, Suite 500  
Concord, NH 03301

(b) if to Seller or the Shareholder, to:

White Rock Water Company, Inc.  
24 Tate Road  
Gilford, NH 03249

with a copy to:

Robert Dietz, Esquire  
Normandin, Cheney & O'Neil, PLLC  
213 Union Avenue  
Post Office Box 575  
Laconia, NH 03247

8.5 Entire Agreement. This Agreement, including the schedules and exhibits referred to herein and the other writings specifically identified herein or contemplated hereby, is complete, reflects the entire agreement of the parties with respect to its subject matter, and supersedes all previous written or oral negotiations, commitments and writings. No promises, representations, understandings, warranties and agreements have been made by any of the parties hereto except as referred to herein or in such schedules and exhibits or in such other writings; and all inducements to the making of this Agreement relied upon by either party hereto have been expressed herein or in such schedules or exhibits or in such other writings.

8.6 Assignability; Binding Effect. This Agreement shall only be assignable by Buyer to a corporation or other entity controlled by or under common control with Buyer upon written notice to Seller and the Shareholder, and such assignment shall not relieve Buyer of any liability hereunder. This Agreement may not be assigned by Seller or the Shareholder without the prior

written consent of Buyer. This Agreement shall be binding upon and enforceable by, and shall inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

8.7 Publicity. Except as otherwise required by law, so long as this Agreement is in effect, neither Seller nor the Shareholder shall, or shall permit any of its subsidiaries, affiliates or subsidiaries of its affiliates to, issue or cause the publication of any press release or other public announcement with respect to, or otherwise make any public statement concerning, the transactions contemplated by this Agreement without the consent of the Buyer, which consent shall not be unreasonably withheld.

8.8 Captions and Gender. The captions in this Agreement are for convenience only and shall not affect the construction or interpretation of any term or provision hereof. The use in this Agreement of the masculine pronoun in reference to a party hereto shall be deemed to include the feminine or neuter, as the context may require.

8.9 Execution in Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

8.10 Amendments. This Agreement may not be amended or modified, nor may compliance with any condition or covenant set forth herein be waived, except by a writing duly and validly executed by each party hereto, or in the case of a waiver, the party waiving compliance.

8.11 Consent to Jurisdiction. Solely for the purpose of allowing a party to enforce its indemnification and other rights hereunder, each of the parties hereby consents to personal jurisdiction, service of process and venue in the federal or state courts of New Hampshire.

[Signature page follows.]

IN WITNESS WHEREOF, Parent, Buyer, Seller and the Shareholder have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

*BUYER:*  
**ABENAKI WATER CO., INC.**

By: \_\_\_\_\_  
Donald J.E. Vaughan, President

*SELLER:*  
**WHITE ROCK WATER COMPANY, INC.**

By: Theresa Crawshaw  
Theresa Crawshaw, President

*SHAREHOLDER:*

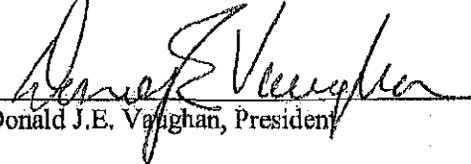
Theresa Crawshaw  
Name: Theresa Crawshaw

*PARENT:*  
**NEW ENGLAND SERVICE COMPANY**

By: \_\_\_\_\_  
Donald J.E. Vaughan, President

**IN WITNESS WHEREOF**, Parent, Buyer, Seller and the Shareholder have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

**BUYER:**  
**ABENAKI WATER CO., INC.**

By:   
Donald J.E. Vaughan, President

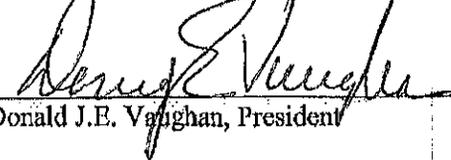
**SELLER:**  
**WHITE ROCK WATER COMPANY, INC.**

By: \_\_\_\_\_  
Theresa Crawshaw, President

**SHAREHOLDER:**

\_\_\_\_\_  
Name: Theresa Crawshaw

**PARENT:**  
**NEW ENGLAND SERVICE COMPANY**

By:   
Donald J.E. Vaughan, President

## LIST OF SCHEDULES AND EXHIBITS

### Schedules

|         |   |
|---------|---|
| 1.1     | Purchased Assets  |
| 1.1(b)  | Seller's Real and Personal Property, Plant, and Equipment   |
| 1.1(c)  | Seller's Office Supplies, Furniture, and Office Equipment   |
| 1.1(d)  | Assumed Contracts   |
| 1.1(f)  | CIAC (contributions in aid of construction)                 |
| 1.1(g)  | CWIP (construction work in process)                         |
| 1.1(h)  | Inventory   |
| 1.1(k)  | Transferable Licenses and Permits                           |
| 1.2(b)  | Accounts Receivable (to be provided as of the Closing Date) |
| 1.2(d)  | Excluded Assets   |
| 1.7     | Purchase Price Allocation                                   |
| 3.5     | Consents and Approvals                                      |
| 3.6(b)  | Seller's Personal Property                                  |
| 3.8     | Financial Statements  |
| 3.10    | Accounts Receivable (to be provided as of the Closing Date) |
| 3.11    | Accounts Payable (to be provided as of the Closing Date)    |
| 3.12    | Contracts   |
| 3.13    | Litigation  |
| 3.16(a) | Employee Benefits Programs                                  |
| 3.16(b) | Employees   |
| 3.16(c) | Independent Representatives/Consultants                     |
| 3.17    | Approvals   |
| 3.20    | Transactions with Interested Persons                        |

### Exhibits

|           |   |
|-----------|---|
| Exhibit A | Rate Base Calculation                       |
| Exhibit B | Water Supply and Sewage Disposal Disclosure |
| Exhibit C | Radon Gas and Lead Paint Disclosure         |
| Exhibit D | Form of Non-Competition Agreement           |

**SCHEDULE 1.1**

Purchased Assets

Goodwill

Assets set forth on Schedules 1.1(b), (c), (d), (f), (g), (h), (k)

**SCHEDULE 1.1(b)**

**Seller's Real and Personal Property, Plant and Equipment**

See attached Book Depreciation listing, which includes, but is not limited to, some equipment which is treated as fixtures and subject to real estate tax.

See attached:

Warranty Deed dated 12/30/70 recorded in Book 1088, Page 419 of Merrimack Registry of Deeds;

Deed of Easement recorded in Book 1522, Page 732 of Merrimack Registry;

Deed of Easement recorded in Book 1588, Page 0025 of Merrimack Registry;

Warranty Deed recorded in Book 1615, Page 240 of Merrimack Registry;

Deed of Easement recorded in Book 1656, Page 1070 of Merrimack Registry.

White Rock Water Company  
 Book Depreciation

| Account | Description                  | Date       | Method | Life | Rate   | Costs   | 12/31/2010<br>AccumDepr | 2011<br>Depr Exp | 2011<br>Retirements | 12/31/2011<br>AccumDepr | 2012<br>Depr Exp | 2012<br>Retirements | 12/31/2012<br>AccumDepr |
|---------|------------------------------|------------|--------|------|--------|---------|-------------------------|------------------|---------------------|-------------------------|------------------|---------------------|-------------------------|
| 303     | Land Power & Pumping         | 1/1/1971   |        |      | 0.00%  | 1,792   | 0                       | 0                |                     | 0                       | -                | -                   | -                       |
|         | Upgrade Electric             | 12/31/1991 |        |      | 0.00%  | 774     | 0                       | 0                |                     | 0                       | -                | -                   | -                       |
|         | Total                        |            |        |      |        | 2,566   | 0                       | 0                |                     | 0                       | 0                | 0                   | 0                       |
| 304     | Power & Pumping              | 1/1/1971   | SL     | 50   | 2.00%  | 3,000   | 2,400                   | 60               |                     | 2,460                   | 60               |                     | 2,520                   |
| 304     | Well #2 Deepening            | 5/21/1994  | SL     | 30   | 3.33%  | 6,415   | 3,548                   | 214              |                     | 3,762                   | 214              |                     | 3,975                   |
| 304     | Well #3 Deepening            | 12/31/1998 | SL     | 30   | 3.33%  | 13,660  | 5,687                   | 455              |                     | 6,142                   | 455              |                     | 6,597                   |
| 304     | Pumphouse                    | 12/27/2004 | SL     | 40   | 2.50%  | 31,401  | 5,338                   | 785              |                     | 6,123                   | 785              |                     | 6,908                   |
| 304     | Electric Heater & Lights     | 1/10/2005  | SL     | 20   | 5.00%  | 499     | 138                     | 25               |                     | 163                     | 25               |                     | 188                     |
| 304     | Thermostat                   | 2/12/2005  | SL     | 20   | 5.00%  | 83      | 22                      | 4                |                     | 26                      | 4                |                     | 30                      |
|         | Total                        |            |        |      |        | 55,058  | 17,133                  | 1,543            |                     | 18,676                  | 1,543            | 0                   | 20,218                  |
| 307     | Well #3                      | 12/15/1987 | SL     | 30   | 3.33%  | 20,689  | 18,487                  | 690              |                     | 19,177                  | 690              |                     | 19,866                  |
| 307     | Well #2 Deepening            | 6/21/1994  | SL     | 30   | 3.33%  | 5,713   | 3,152                   | 190              |                     | 3,342                   | 190              |                     | 3,532                   |
| 307     | Well Deepening               | 6/8/2001   | SL     | 30   | 3.33%  | 7,127   | 2,281                   | 238              |                     | 2,519                   | 238              |                     | 2,756                   |
|         | Total                        |            |        |      |        | 33,529  | 23,920                  | 1,117            |                     | 25,037                  | 1,117            |                     | 26,155                  |
| 311     | Original Equipment           | 2/18/1971  | SL     | 50   | 2.00%  | 17,300  |                         |                  |                     | 13,840                  | 346              |                     | 14,532                  |
| 311     | Original Equipment           |            |        |      |        |         | (2,862)                 |                  |                     | (2,862)                 |                  |                     | (2,862)                 |
| 311     | Check Valve                  | 6/30/1985  | SL     | 10   | 0.00%  | 1,743   | 1,743                   | 0                |                     | 1,743                   | -                |                     | 1,743                   |
| 311     | 1 1/2 Water Meter            | 4/30/1987  | SL     | 20   | 0.00%  | 349     | 349                     | 0                |                     | 349                     | -                |                     | 349                     |
| 311     | Control system / Lines       | 10/15/1988 | SL     | 10   | 0.00%  | 8,338   | 8,338                   | 0                |                     | 8,338                   | -                |                     | 8,338                   |
| 311     | Booster Pump                 | 11/15/1989 | SL     | 20   | 5.00%  | 500     | 492                     | 25               |                     | 517                     |                  |                     | 517                     |
| 311     | Booster Pump - Retired       |            |        |      |        | (500)   |                         |                  |                     |                         |                  | (500)               | (500)                   |
| 311     | Booster Pump                 | 12/15/1989 | SL     | 20   | 5.00%  | 327     | 330                     | 16               |                     | 346                     |                  |                     | 346                     |
| 311     | Booster Pump - Retired       |            |        |      |        | (327)   |                         |                  |                     |                         |                  | (327)               | (327)                   |
| 311     | Capital Well                 | 12/17/1990 | SL     | 10   | 0.00%  | 757     | 757                     | 0                |                     | 757                     | -                |                     | 757                     |
| 311     | Booster #1                   | 12/31/1991 | SL     | 20   | 5.00%  | 1,653   | 1,585                   | 83               |                     | 1,669                   |                  |                     | 1,669                   |
| 311     | Booster #1 - Retired         |            |        |      |        | (1,653) |                         |                  |                     |                         |                  | (1,653)             | (1,653)                 |
| 311     | Booster #2                   | 12/31/1991 | SL     | 20   | 5.00%  | 1,960   | 1,874                   | 98               |                     | 1,972                   |                  |                     | 1,972                   |
| 311     | Booster #2 - Retired         |            |        |      |        | (1,960) |                         |                  |                     |                         |                  | (1,960)             | (1,960)                 |
| 311     | Conduit Well #3              | 5/15/1996  | SL     | 20   | 5.00%  | 279     | 205                     | 14               |                     | 219                     | 14               |                     | 233                     |
| 311     | Sump Pump                    | 6/20/1996  | SL     | 20   | 5.00%  | 362     | 303                     | 18               |                     | 321                     | 18               |                     | 339                     |
| 311     | Booster Pump                 | 12/31/1998 | SL     | 20   | 5.00%  | 1,387   | 1,191                   | 69               |                     | 1,260                   | 69               |                     | 1,330                   |
| 311     | Booster Pump                 | 9/7/1999   | SL     | 20   | 5.00%  | 651     | 374                     | 33               |                     | 407                     | 33               |                     | 439                     |
| 311     | Pump Well #1                 | 11/5/2001  | SL     | 20   | 5.00%  | 6,189   | 2,833                   | 309              |                     | 3,142                   | 309              |                     | 3,452                   |
| 311     | Pump Well #1 - Retired       |            |        |      |        | (6,189) |                         |                  |                     |                         |                  | (6,189)             | (6,189)                 |
| 311     | GFI Circuit Breakers         | 4/28/2002  | SL     | 20   | 5.00%  | 214     | 95                      | 11               |                     | 106                     | 11               |                     | 116                     |
| 311     | Chemical Pumps LMIA151       | 5/28/2002  | SL     | 20   | 5.00%  | 700     | 300                     | 35               |                     | 335                     | 35               |                     | 370                     |
| 311     | 5 HP Motor                   | 6/2/2003   | SL     | 20   | 5.00%  | 679     | 258                     | 34               |                     | 292                     | 34               |                     | 326                     |
| 311     | 5 HP Motor - Retired         |            |        |      |        | (679)   |                         |                  |                     |                         |                  | (679)               | (679)                   |
| 311     | 1" Meter for Well #3         | 1/4/2005   | SL     | 20   | 5.00%  | 170     | 48                      | 8                |                     | 56                      | 8                |                     | 65                      |
| 311     | Valve Replacement            | 12/1/2006  | SL     | 20   | 5.00%  | 2,118   | 477                     | 106              |                     | 583                     | 106              |                     | 689                     |
| 311     | Probe Well #3                | 11/1/2007  | SL     | 10   | 10.00% | 1,595   | 560                     | 160              |                     | 720                     | 160              |                     | 879                     |
| 311     | Well #3 P&M                  | 11/15/2007 | SL     | 20   | 5.00%  | 4,323   | 756                     | 216              |                     | 972                     | 216              |                     | 1,188                   |
| 311     | Probe                        | 12/1/2007  | SL     | 10   | 10.00% | 53      | 18                      | 5                |                     | 23                      | 5                |                     | 29                      |
| 311     | Well #2 P&M                  | 4/17/2010  | SL     | 10   | 10.00% | 8,285   | 414                     | 829              |                     | 1,243                   | 829              |                     | 2,071                   |
| 311     | Oilless Compressor           | 10/5/2010  | SL     | 10   | 10.00% | 893     | 45                      | 89               |                     | 134                     | 89               |                     | 224                     |
| 311     | Pump & Motor                 | 7/16/2012  | SL     | 10   | 5.00%  | 3,695   |                         |                  |                     |                         |                  |                     | 185                     |
|         | Total                        |            |        |      |        | 53,212  | 34,325                  | 2,504            |                     | 35,829                  | 2,467            | (11,308)            | 27,988                  |
| 320     | Adsorption System (CIAC)     | 1/1/2005   | SL     | 28   | 3.57%  | 136,900 | 26,165                  | 4,889            |                     | 31,054                  | 4,889            |                     | 35,942                  |
| 320     | Backwash Booster (CIAC)      | 1/1/2005   | SL     | 28   | 3.57%  | 7,000   | 1,375                   | 250              |                     | 1,625                   | 250              |                     | 1,875                   |
|         | Total                        |            |        |      |        | 143,900 | 27,540                  | 5,139            |                     | 32,679                  | 5,139            | 0                   | 37,817                  |
| 330     | Reservoir Tanks              | 2/1/1971   | SL     | 45   | 2.22%  | 16,474  | 15,546                  | 366              |                     | 15,912                  | 366              |                     | 16,278                  |
| 330     | Gate Valve Blueberry Ln      | 8/10/1995  | SL     | 10   | 0.00%  | 551     | 319                     | 0                |                     | 319                     | -                |                     | 319                     |
| 330     | Gate Valve Rocky Pt.         | 8/10/1995  | SL     | 20   | 5.00%  | 888     | 679                     | 44               |                     | 723                     | 44               |                     | 768                     |
| 330     | Curb Stop Box & Rod Rocky Pt | 8/10/1995  | SL     | 20   | 5.00%  | 860     | 663                     | 43               |                     | 706                     | 43               |                     | 749                     |
| 330     | Gate Box Valve Rocky Pt      | 8/10/1995  | SL     | 20   | 5.00%  | 126     | 93                      | 6                |                     | 99                      | 6                |                     | 106                     |
| 330     | Gate Valve Rocky Pt Surrey   | 8/30/1995  | SL     | 20   | 5.00%  | 915     | 663                     | 46               |                     | 709                     | 46               |                     | 754                     |
| 330     | Gate Valve                   | 9/8/1995   | SL     | 20   | 5.00%  | 952     | 735                     | 48               |                     | 783                     | 48               |                     | 831                     |
| 330     | Baal Curb Valve              | 11/13/1995 | SL     | 20   | 5.00%  | 649     | 486                     | 32               |                     | 518                     | 32               |                     | 551                     |
|         | Total                        |            |        |      |        | 21,416  | 19,184                  | 586              |                     | 19,769                  | 586              | 0                   | 20,355                  |
| 331     | Pressure reducer Valves      | 2/18/1971  | SL     | 20   | 0.00%  | 3,240   | 2,916                   | 0                |                     | 2,916                   | -                |                     | 2,916                   |
| 331     | Mains                        | 2/18/1971  | SL     | 60   | 1.67%  | 31,951  | 25,872                  | 533              |                     | 26,404                  | 533              |                     | 26,937                  |
| 331     | Pressure Reducer Pilot       | 6/30/1983  | SL     | 20   | 0.00%  | 343     | 343                     | 0                |                     | 343                     | -                |                     | 343                     |
| 331     | Pressure Reducer Tile        | 6/30/1983  | SL     | 45   | 2.22%  | 404     | 306                     | 9                |                     | 315                     | 9                |                     | 324                     |
| 331     | MBS, Inc.                    | 12/31/1993 | SL     | 45   | 0.00%  | 0       | 0                       | 0                |                     | 0                       | -                |                     | 0                       |
| 331     | Mains                        | 12/18/2001 | SL     | 60   | 1.67%  | 5,734   | 864                     | 96               |                     | 960                     | 96               |                     | 1,055                   |
| 331     | 2 4" Valves                  | 12/16/2002 | SL     | 20   | 5.00%  | 2,731   | 1,096                   | 137              |                     | 1,233                   | 137              |                     | 1,369                   |
|         | Total                        |            |        |      |        | 44,403  | 31,397                  | 774              |                     | 32,170                  | 774              | 0                   | 32,944                  |
| 333     | Services                     | 2/18/1971  | SL     | 60   | 1.67%  | 4,800   | 3,200                   | 80               |                     | 3,280                   | 80               |                     | 3,360                   |
| 333     | Services                     | 11/7/2012  | SL     | 40   | 2.50%  | 1,110   |                         |                  |                     | 0                       |                  | 0                   | 14                      |
|         | Total                        |            |        |      |        | 5,910   | 3,200                   | 80               | 0                   | 3,280                   | 94               | 0                   | 3,374                   |
| 334     | Meters                       | 2/18/1971  | SL     | 20   | 0.00%  | 5,200   | 4,940                   | 0                |                     | 4,940                   | -                |                     | 4,940                   |
| 334     | Meters - Retired 2010        |            |        |      |        | (2,816) | (2,735)                 |                  |                     | (2,735)                 |                  |                     | (2,735)                 |
| 334     | Meters - Retired 2011        |            |        |      |        | (1,009) |                         |                  | (1,009)             |                         |                  |                     | (1,009)                 |
| 334     | Meters - Retired 2012        |            |        |      |        | (2,451) |                         |                  |                     |                         |                  | (2,451)             | (2,451)                 |
| 334     | Meters - Rep                 | 5/30/1983  | SL     | 20   | 0.00%  | 269     | 268                     | 0                |                     | 268                     | -                |                     | 268                     |
| 334     | Meters                       | 6/30/1984  | SL     | 20   | 0.00%  | 357     | 356                     | 0                |                     | 356                     | -                |                     | 356                     |
| 334     | Meters - New                 | 6/30/1985  | SL     | 20   | 0.00%  | 989     | 989                     | 0                |                     | 989                     | -                |                     | 989                     |
| 334     | Mains - New                  | 6/30/1986  | SL     | 10   | 0.00%  | 610     | 610                     | 0                |                     | 610                     | -                |                     | 610                     |
| 334     | Mains - New                  | 4/1/1987   | SL     | 10   | 0.00%  | 804     | 804                     | 0                |                     | 804                     | -                |                     | 804                     |
| 334     | Meters                       | 11/30/1989 | SL     | 20   | 0.00%  | 500     | 500                     | 0                |                     | 500                     | -                |                     | 500                     |

|     |                            |            |    |    |       |                |                |               |                |                |               |                 |                |
|-----|----------------------------|------------|----|----|-------|----------------|----------------|---------------|----------------|----------------|---------------|-----------------|----------------|
| 334 | Meters                     | 12/30/1989 | SL | 20 | 0.00% | 607            | 607            | 0             | 607            | -              | 607           |                 |                |
| 334 | Customer Meters            | 1/9/1990   | SL | 20 | 0.00% | 200            | 200            | 0             | 200            | -              | 200           |                 |                |
| 334 | Customer Meters            | 2/2/1990   | SL | 20 | 0.00% | 300            | 300            | 0             | 300            | -              | 300           |                 |                |
| 334 | Customer Meters            | 2/16/1990  | SL | 20 | 0.00% | 200            | 200            | 0             | 200            | -              | 200           |                 |                |
| 334 | 10 Meters                  | 7/12/1995  | SL | 20 | 5.00% | 671            | 527            | 34            | 560            | 34             | 594           |                 |                |
| 334 | 10 Water Meters s/Pulse Hd | 8/10/1995  | SL | 20 | 5.00% | 671            | 524            | 34            | 557            | 34             | 591           |                 |                |
| 334 | Meters                     | 5/15/1996  | SL | 20 | 5.00% | 2,203          | 1,613          | 110           | 1,724          | 110            | 1,834         |                 |                |
| 334 | Meters                     | 7/29/1996  | SL | 20 | 5.00% | 17             | 14             | 1             | 15             | 1              | 16            |                 |                |
| 334 | Meters                     | 8/22/1997  | SL | 20 | 5.00% | 1,870          | 1,282          | 94            | 1,376          | 94             | 1,469         |                 |                |
| 334 | Meter                      | 8/6/1999   | SL | 20 | 5.00% | 178            | 103            | 9             | 112            | 9              | 121           |                 |                |
| 334 | Meter                      | 9/20/1999  | SL | 20 | 5.00% | 433            | 252            | 22            | 274            | 22             | 295           |                 |                |
| 334 | 6 5/8 x 3/4 SR Meters      | 12/18/2000 | SL | 20 | 5.00% | 609            | 309            | 30            | 339            | 30             | 370           |                 |                |
| 334 | Bow P&H 21 Surry Coach     | 12/18/2000 | SL | 20 | 5.00% | 211            | 109            | 11            | 120            | 11             | 130           |                 |                |
| 334 | Touch Read Visual multi    | 12/18/2000 | SL | 20 | 5.00% | 420            | 196            | 21            | 217            | 21             | 238           |                 |                |
| 334 | 12 Meters                  | 10/18/2003 | SL | 20 | 5.00% | 900            | 323            | 45            | 368            | 45             | 413           |                 |                |
| 334 | 6 Service Hydrants         | 10/12/2005 | SL | 20 | 5.00% | 491            | 136            | 25            | 161            | 25             | 185           |                 |                |
| 334 | Meters & Power Svc         | 10/23/2008 | SL | 20 | 5.00% | 1,471          | 166            | 74            | 240            | 74             | 313           |                 |                |
| 334 | Meters & Power Svc         | 11/12/2008 | SL | 20 | 5.00% | 1,307          | 163            | 65            | 228            | 65             | 294           |                 |                |
| 334 | 2 Curbstop & Logger        | 11/12/2008 | SL | 20 | 5.00% | 2,041          | 221            | 102           | 323            | 102            | 425           |                 |                |
| 334 | Meters                     | 10/13/2008 | SL | 20 | 5.00% | 1,934          | 218            | 97            | 315            | 97             | 411           |                 |                |
| 334 | 14 Meters (\$75.81/meter)  | 10/1/2010  | SL | 20 | 5.00% | 1,061          | 27             | 53            | 80             | 53             | 133           |                 |                |
| 334 | Meters                     | 12/31/2011 | SL | 20 | 5.00% | 341            |                | 9             | 9              | 17             | 26            |                 |                |
| 334 | Meters                     | 12/31/2012 | SL | 20 | 5.00% | <u>283</u>     |                |               | <u>0</u>       | <u>25</u>      | <u>25</u>     |                 |                |
|     | Total                      |            |    |    |       | <u>21,572</u>  | <u>13,223</u>  | <u>833</u>    | <u>(1,009)</u> | <u>13,047</u>  | <u>866</u>    | <u>(2,451)</u>  | <u>11,462</u>  |
| 335 | Hydrants                   | 2/18/1971  | SI | 20 | 0.00% | <u>1,200</u>   | <u>720</u>     | <u>0</u>      | <u>720</u>     | <u>-</u>       | <u>720</u>    |                 |                |
| 348 | Magnetic Locator           | 12/31/1993 | SL | 10 | 0.00% | 620            | 620            | 0             | 620            | -              | 620           |                 |                |
| 348 | Media Replacement          | 8/1/2007   | SL | 2  | 0.00% | 2,595          | 2,595          | 0             | 2,595          | -              | 2,595         |                 |                |
| 348 | Media Replacement          | 11/1/2007  | SL | 2  | 0.00% | 8,401          | 8,401          | 0             | 8,401          | -              | 8,401         |                 |                |
| 348 | Media Replacement          | 11/1/2007  | SL | 2  | 0.00% | <u>111</u>     | <u>111</u>     | <u>0</u>      | <u>111</u>     | <u>-</u>       | <u>111</u>    |                 |                |
|     | Total                      |            |    |    |       | <u>11,727</u>  | <u>11,727</u>  | <u>0</u>      | <u>0</u>       | <u>11,727</u>  | <u>0</u>      | <u>0</u>        | <u>11,727</u>  |
|     | Total Water Plant          |            |    |    |       | <u>394,493</u> | <u>182,368</u> | <u>12,575</u> | <u>(1,009)</u> | <u>193,934</u> | <u>12,585</u> | <u>(13,759)</u> | <u>192,760</u> |

SPSt. Cyr  
 5/17/2013

BK 1088  
pg 419

Concord, N. H., February 19, 1971  
FOR VALUE RECEIVED THE New Hampshire Savings Bank hereby releases the premises conveyed by the within deed from the lien securing the mortgage the Village House, Inc. to New Hampshire Savings Bank, dated July 16, 1968, recorded in Merrimack County Records, Lib. 1053, Fol. 31, without, however, releasing any of the balance of the NEW HAMPSHIRE SAVINGS BANK

Assistant Treasurer

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS:

That THE VILLAGE HOUSE, INC., a New Hampshire Corporation duly organized and having a principal place of business in Concord, in the County of Merrimack and State of New Hampshire, for consideration paid, grants to WHITE ROCK WATER COMPANY, INC., a New Hampshire Corporation duly organized and having a principal place of business in Bow, in said County of Merrimack and State of New Hampshire, whose mailing address is 24 South State Street, Concord, New Hampshire, with Warranty Covenants to the said White Rock Water Company, Inc. a certain tract of land with the buildings thereon situate in said Bow, bounded and described as follows:

Commencing at a bound on the easterly line of Rocky Point Drive, so-called, as the same is laid out on Plan of Village Shore Estates dated July 1966, as amended, to be recorded in Merrimack County Registry of Deeds, said point being the northwesterly corner of the tract herein conveyed and the southwesterly corner of Lot #12 as the same is laid out on said Plan of Village Shore Estates, thence in a curve, the straight line of which is S 64° 12' E, 167.62 feet along said Rocky Point Drive to a bound, thence N 22° 02' E 245.09 feet to a bound, thence N 31° 26' W 112.00 feet, to a point, said point being the northeasterly corner of the tract herein conveyed and the southeasterly corner of said Lot #12, thence S 40° 23' W 323.07 feet to the easterly line of said Rocky Point Drive and point of beginning. Being Lot #10 as the same is laid out on said Plan of Village Shore Estates.

Excepting and reserving to the grantor an easement five feet wide beside each boundary line of the lot or lots described above as the same boundary lines appear on said Plan, such reserved easement being for the construction, maintenance or reconstruction of drainage and utility facilities as may be now or in the future may become necessary or desirable for the orderly development of the granted premises or adjacent lands, roads, or public facilities, as well as the right to trim and remove from the granted premises such trees and other growth as in the discretion of any utility serving the area may interfere or threaten to interfere with its utility operations, such reserved easement to be assignable either in whole or in part.

LAW OFFICE  
OF  
HERBERT D. BRANCH  
NORTH MAIN STREET  
CONCORD, N. H.



180

BK 1088  
pg 420

Meaning and intending to describe and convey a portion of the same premises conveyed to grantor by deed of Frank D. and Mabel J. Howland dated January 27, 1966 and recorded in Merrimack County Registry of Deeds, Book 982, Page 2.

Said conveyance is made subject to the same covenants and restrictions as were included in deed from The Village House, Inc. to Paul W. Stevens and Joanne J. Stevens dated June 30, 1966 and recorded in Merrimack County Registry of Deeds, Book 990, Page 63.

It is also agreed that the real estate taxes for the year 1970 assessed against the premises herein conveyed shall be pro-rated between grantor and grantees as of the date of delivery of this deed.

IN WITNESS WHEREOF The Village House, Inc. has caused these presents to be signed by Andrew C. LeMay, its Treasurer, duly authorized and its seal to be affixed hereto this 30th day of December, 1970.

WITNESS: THE VILLAGE HOUSE, INC.

By: Andrew C. LeMay  
(duly authorized)

STATE OF NEW HAMPSHIRE  
MERRIMACK, SS

On this the 30th day of December, 1970, before me, Robert D. Branch, the undersigned officer, personally appeared Andrew C. LeMay, Treasurer of The Village House, Inc., known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purpose therein contained.

In witness whereof I hereunto set my hand and official seal.

Robert D. Branch  
Notary Public

LAW OFFICE  
OF  
ROBERT D. BRANCH  
88 NORTH MAIN STREET  
CONCORD, N. H.

B 1522P0732

30.00

DEED OF EASEMENT

KNOW ALL MEN BY THESE PRESENTS that SURREY COACH ASSOCIATES (formerly known as Village Shore Associates and as Bow Commons Associates), a general partnership duly organized and existing under the laws of the State of New Hampshire, with a mailing address c/o William G. Howard, R.F.D. #9, Concord, Merrimack County, State of New Hampshire 03301, (hereinafter the "Grantor"), for consideration paid grants to the WHITE ROCK WATER COMPANY, INC., a duly organized corporation doing business as a public water utility in accordance with the laws of the State of New Hampshire with a mailing address c/o Andrew C. Lemay, 72 White Rock Hill Road, Bow, County of Merrimack, and State of New Hampshire 03301 (hereinafter the "Grantee"), with quitclaim covenants the perpetual right and easement to dig and maintain ditches, to lay, repair and replace pipes in and through a portion of property now owned by said Grantor and shown on a plan entitled "The Woods at Village Shores, Bow, New Hampshire" prepared by W. G. Howard, Inc., dated November 10, 1984 and recorded in the Merrimack County Registry of Deeds as Plan 8167, consisting of one street and a future right of way, more particularly bounded and described on Exhibit A attached hereto and made a part hereof.

There is also granted to the Grantee, the perpetual right and easement to enter upon said premises of the Grantor by employees and agents of the said Grantee with machinery, equipment and materials for the purpose of performing the above-described

B 1522P0733

work. This easement is granted to the Grantee to maintain, repair and replace at no expense to the Grantor, its successors and assigns, any utility lines and/or associated equipment necessary for the operation of a water system at the property known as The Woods at Village Shores. This grant is conditioned upon the Grantee restoring the property in each instance as nearly as possible to its pre-existing condition.

This easement is further granted subject to the rights of the Grantor, its successors and assigns, from time to time and at any time to utilize the water system in the easement area, subject to the Grantee's connection procedures, except that no connection charges will be due from Grantor, and to install and use all other improvements located in the easement, and use the surface of said easement area, and to place, repair and maintain over, under, through and across said easement area access roads and other utilities including but not limited to gas, telephone, electric, sewer, cable television and similar improvements all without restriction, reservation or limitation, except as may be placed on said use by any temporary maintenance or construction work by the Grantee.

B 1522P0734

IN WITNESS WHEREOF, the general partners of Surrey Coach Associates have caused their names to be subscribed hereto this 2nd day of August, 1985.

WITNESS

SURREY COACH ASSOCIATES, a New Hampshire general partnership

John M. Gull

By Richard J. Weed  
Richard J. Weed  
General Partner

to both

\_\_\_\_\_

By William G. Howard  
William G. Howard  
General Partner

STATE OF NEW HAMPSHIRE  
COUNTY OF MERRIMACK, SS

On this the 2nd day of August, 1985, before me, the undersigned officer, personally appeared Richard J. Weed, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

John M. Gull  
Justice of the Peace/Notary Public

STATE OF NEW HAMPSHIRE  
COUNTY OF MERRIMACK, SS.

On this the 2nd day of August, 1985, before me, the undersigned officer, personally appeared William G. Howard, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

John M. Gull  
Justice of the Peace/Notary Public

B 1522P0735

EXHIBIT A

Easement Area

Beginning at a point on the south sideline of Surrey Coach Lane. Said point being North  $36^{\circ} 55' 53''$  East, a distance of 152.11 feet from an iron pipe found in a ring of stones, located at the common corner of land now or formerly of John G. & Emilie S. Meadows and land now or formerly of the Town of Bow. Said point is also South  $36^{\circ} 55' 53''$  West, a distance of approximately 5 feet from the Westerly extension of the South streetline of Old Coach Road.

Thence, North  $39^{\circ} 45' 07''$  West, along the most Southerly streetline of Surrey Coach Lane, bounded Southwesterly by an open space area and a portion of Lot 57, a distance of 28.47 feet to a point of curvature.

Thence, along said streetline and by the arc of a curve to the left having a radius of 120.00 feet, and an arc length of 68.35 feet to a point on said Lot 57.

Thence, North  $72^{\circ} 23' 07''$  West, by the remainder of Lot 57, Lot 57-A and a portion of Lot 57-B, a distance of 353.37 feet to a point of curvature in said streetline.

Thence, along said streetline and by the arc of a curve to the right having a radius of 377.16, and an arc length of 230.39 feet to a point. Said course is by the remaining portion of Lot 57-B and part of Lot 57-C.

Thence, North  $37^{\circ} 23' 07''$  West, by Lot 57-C, a distance of 174.73 feet to a point of curvature in said streetline at the northeasterly corner of the future road R.O.W. to date unnamed.

Thence, by the arc of a curve to the left having a radius of 30.00 feet, and an arc length of 41.21 feet to a point.

Thence, South  $63^{\circ} 54' 51''$  West, by said Lot 57-C and an open space, a total distance of approximately 308.49 feet to a point located on the northeasterly boundary of land now or formerly of Arthur E. Boutwell & Heirs of Richard Upton (said abutter found to be named incorrectly on the plan of record).

Thence, North  $29^{\circ} 09' 54''$  West, along said land of Boutwell & Heirs of Upton, a distance of 60.09 feet, to a point. To date said course being the terminus of said future R.O.W.

B 1522P0736

Thence, North  $63^{\circ} 54' 51''$  East, by an open space and by a portion of Lot 57-D, a total distance of approximately 311.72 feet to a point of curvature.

Thence, by the arc of a curve to the left having a radius of 30.00 feet, and an arc length of 41.21 feet to a point of reverse curvature on Lot 57-D. Said point being further described as being the Northwesterly corner of said future R.O.W. and further described as being located on the said most Southerly streetline of Surrey Coach Lane.

Thence continuing along said streetline of Surrey Coach Lane, by the arc of a curve to the right having a radius of 276.22 feet, and an arc length of 226.12 feet to a point. Said course being by the remainder of Lot 57-D and a portion of Lot 57-E.

Thence, North  $32^{\circ} 06' 53''$  East, by the remainder of Lot 57-E and a portion of Lot 57-F, a distance of 217.29 feet to a point of curvature.

Thence, by the arc of a curve to the right having a radius of 220.00 feet, and an arc length of 345.57 feet to a point. Said course being by Lot 57-F, Lot 57-G and part of Lot 57-H.

Thence, South  $57^{\circ} 53' 07''$  East, by Lots 57-H, 57-L, 57-J, 57-K and an Open Space, a total distance of approximately 844.98 feet to a point located on the Hammerhead turning area of the most Northwesterly streetline at the terminus of Surrey Drive.

Thence, South  $36^{\circ} 55' 53''$  West, by said terminus of Surrey Drive and a part of the land of Thomas E. & Roberta Benson, a distance of approximately 60.21 feet to a point located on the opposite side of the roadway, herein being described.

Thence, North  $57^{\circ} 53' 07''$  West, by an Open Space, Lots 57-N, 57-M and part of Lot 57-S, a distance of approximately 839.93 feet to a point of curvature.

Thence, by the arc of a curve to the left having a radius of 160.00 feet, and an arc length of 251.33 feet to a point located on Lot 57-S.

Thence, South  $32^{\circ} 06' 53''$  West, by a portion of Lot 57-S, a distance of 217.29 feet to a point of curvature.

Thence, by the arc of a curve to the left having a radius of 216.22 feet and an arc length of 262.28 feet to a point of tangency. Said course is by the remainder of Lot 57-S and a portion of 57-R.

B 1522P0737

Thence, South  $37^{\circ} 23' 07''$  East, by a portion of Lot 57-R, a distance of 174.73 feet to a point of curvature.

Thence, by the arc of a curve to the left having a radius of 317.16 feet, and an arc length of 193.74 feet to a point. Said course is by the remainder of Lot 57-R and a portion of Lot 57-Q.

Thence, South  $72^{\circ} 23' 07''$  East, by the remainder of Lot 57-Q and a portion of Lot 57-P, a total distance of 353.37 feet to a point of curvature.

Thence, by the arc of a curve to the right having a radius of 180.00 feet and an arc length of 96.81 feet to a point. Said course being by the remainder of Lot 57-P and a portion of an Open Space.

Thence, South  $39^{\circ} 45' 08''$  East, by said Open Space, a distance of approximately 14.82 feet to a point. Said point being located on the westerly lot line of Leroy W. & Ruth Long.

Thence, South  $36^{\circ} 55' 53''$  West, bounded southeasterly by a portion of the land of said Long, the terminus of a 50' roadway known as Old Coach Road and a portion of the property of John G. & Emilie S. Meadows, a total distance of approximately 61.66 feet to the point of beginning.

Said 60' wide roadway can be viewed on a plan entitled The Woods at Village Shore, Bow, New Hampshire prepared for William G. Howard & Richard Weed, approved by the Bow Planning Board on 2/7/85 and recorded at the Merrimack County Registry of Deeds as Plan No. 8167. Said plan was prepared by W. G. Howard, Inc., Land Surveyors, Bow, New Hampshire.

015555

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1985 AUG 28 AM 8:49

MERRIMACK  
REGISTRY

DEED OF EASEMENT

KNOW ALL MEN BY THESE PRESENTS that SURREY COACH ASSOCIATES, a general partnership duly organized and existing under the laws of the State of New Hampshire, with a mailing address c/o William G. Howard, R.F.D. #9, Concord, Merrimack County, State of New Hampshire 03301, (hereinafter the "Grantor"), for consideration paid grants to the WHITE ROCK WATER COMPANY, INC., a duly organized corporation doing business as a public water utility in accordance with the laws of the State of New Hampshire with a mailing address c/o Andrew C. Nemay, 72 White Rock Hill Road, Bow, County of Merrimack, and State of New Hampshire 03301 (hereinafter the "Grantee"), with quitclaim covenants the perpetual right and easement to dig and maintain ditches, to lay, repair and replace pipes in and through a portion of property now owned by said Grantor and shown on a plan entitled "West Gate, Subdivision of Lot 55, Block 4, Bow, New Hampshire" prepared by W. G. Howard, Inc., dated December 12, 1985 and recorded in the Merrimack County Registry of Deeds as Plan 8769, consisting of one street, more particularly bounded and described on Exhibit A attached hereto and made a part hereof.

There is also granted to the Grantee, the perpetual right and easement to enter upon said premises of the Grantor by employees and agents of the said Grantee with machinery, equipment and materials for the purpose of performing the above-described work. This easement is granted to the Grantee to

BK1588 P6025

UK1588 PG0026

maintain, repair and replace at no expense to the Grantor, its successors and assigns, any utility lines and/or associated equipment necessary for the operation of a water system at the property known as West Gate Subdivision. This grant is conditioned upon the Grantee restoring the property in each instance as nearly as possible to its pre-existing condition.

This easement is further granted subject to the rights of the Grantor, its successors and assigns, from time to time and at any time to utilize the water system in the easement area, subject to the Grantee's connection procedures, except that no connection charges will be due from Grantor, and to install and use all other improvements located in the easement, and use the surface of said easement area, and to place, repair and maintain over, under, through and across said easement area access roads and other utilities including but not limited to gas, telephone, electric, sewer, cable television and similar improvements all without restriction, reservation or limitation, except as may be placed on said use by any temporary maintenance or construction work by the Grantee.

IN WITNESS WHEREOF, the general partners of Surrey Coach Associates have caused their names to be subscribed hereto this 20th day of May, 1986.

WITNESS:

SURREY COACH ASSOCIATES, a New  
Hampshire General Partnership  
By Its Two General Partners

John M. Gull

By:

Richard J. Weed  
Richard J. Weed

BK1588 PG0027

John M. Gull

By:

Richard J. Weed  
William G. Howard  
*By Power of Attorney dated MAY 7, 1986*

STATE OF NEW HAMPSHIRE  
COUNTY OF MERRIMACK, SS

On this the 24<sup>th</sup> day of May, 1986, before me, the under-  
signed officer, personally appeared Richard J. Weed, known to me  
(or satisfactorily proven) to be the person whose name is sub-  
scribed to the within instrument and acknowledged that he  
executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official  
seal.

John M. Gull  
Justice of the Peace/Notary Public

STATE OF NEW HAMPSHIRE  
COUNTY OF MERRIMACK, SS

On this the 24<sup>th</sup> day of May, 1986, before me, the under-  
signed officer, personally appeared William G. Howard, *known to attorney*  
me (or satisfactorily proven) to be the person whose name is  
subscribed to the within instrument and acknowledged that he  
executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official  
seal.

John M. Gull  
Justice of the Peace/Notary Public

BK1588 PG0028

Exhibit A

ROAD DESCRIPTION

Beginning at a point at the northeast corner of Lot 55 as shown on Plan 8769, said point being at the end of a "future road right of way" as shown on plan 8167 of said records;

(1) thence S 63° 54' 51" W a distance of 190.41 feet along the northerly side of Lot 55 to a point;

(2) thence running on a curve with a radius of 25 feet in a general southwesterly direction a distance of 28.35 feet, more or less, along Lot 55 and part of Lot 55-A to a point;

(3) thence running on a curve with a radius of 105 feet around the cul-de-sac a distance of 568.00 feet, more or less, along Lots 55-A, 55-B, 55-C, 55-D, and part of Lot 55-E;

(4) thence running on a curve with a radius of 25 feet in a general southwesterly direction a distance of 26.35 feet, more or less, to a point in the sideline of Lot 55-E;

(5) thence running N 63° 54' 51" E a distance of 187.18 feet, more or less, along the southerly side of said Lot 55-E to a point at the end of said "future road right of way";

(6) thence turning and running S 29° 09' 54" E a distance of 60.09 feet, more or less, to the point of beginning.

Said Roadway is shown as "West Gate Drive" on Plan 8769.

Subject to all utility easements of record and as may be granted hereafter, as the same may affect the subject premises, if at all, and subject to the set back lines as depicted on the aforesaid plan.

The Grantor, for its heirs and assigns reserves the right to pass and repass across the premises hereby conveyed.

Meaning and intending to describe and convey hereby, a portion of the premises conveyed to Richard J. Weed and William G. Howard, d/b/a Surrey Coach Associates by warranty deed of Pauline Boutwell and Richard F. Upton, Trustee for the widow and heirs at law of Robert W. Upton dated October 31, 1985, recorded at the Merrimack County Registry of Deeds, Book 1537, Page 270.

MERRIMACK COUNTY RECORDS  
RECEIVED AND RECORDED

*Kathi L. Huay*

REGISTER

028392

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1986 DEC 23 PM 2:19

MERRIMACK COUNTY  
REGISTRY OF DEEDS

30.00



WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS THAT Lemay Enterprises, Inc., a New Hampshire corporation duly organized and having a principal place of business in Bow, Merrimack County, State of New Hampshire, and being the sole successor of interest of the Village House, Inc., for consideration paid grant to White Rock Water Company, Inc., a New Hampshire corporation duly organized and having a principal place of business in Concord, Merrimack County, State of New Hampshire, whose mailing address is Hot Hole Pond Road, Concord, New Hampshire 03301, with WARRANTY COVENANTS to said White Rock Water Company, Inc.,

A certain tract of land situate in Bow, Merrimack County, New Hampshire, and described as follows:

All remaining right, title and interest in and to Village Shore Estates as laid out in Plan of Village Shore Estates dated May, 1976 and recorded in the Merrimack County Registry of Deeds.

Including an easement five (5) feet wide inside each boundary line of the lot or lots described on said Plan of Village Shore Estates, such easement being for the construction, maintenance or reconstruction of drainage and utility facilities as may be now or in the future may become necessary or desirable for the orderly development of the granted premises or adjacent lands, roads or public facilities, as well as the right to trim and remove from the granted premises such trees and other growth, as in the discretion of any utility serving the area, may interfere or threaten to interfere with its utility operations, such reserved easement to be assignable either in whole or in part.

Meaning and intending to describe and convey a portion of the same premises conveyed to grantor by deed of Frank D. and Mabel J. Howland dated January 27, 1966 and recorded in the Merrimack County Registry of Deeds at Book 982, Page 2.

The easement herein conveyed was reserved in deed of Village House, Inc. to White Rock Water Company, Inc. as recorded in the Merrimack County Registry of Deeds in Book 1088, Page 419.

BK 1615 PG 0240

BK1615 PG0241

This conveyance is made subject to the same covenants and restrictions as were included in deed from the Village House, Inc. to Paul W. Stevens and Joanne J. Stevens dated June 30, 1966 recorded in the Merrimack County Registry of Deeds at Book 990, Page 63.

The consideration for this conveyance is less than One Dollar (\$1.00).

IN WITNESS WHEREOF, Lemay Enterprises, Inc. has caused these presents to be signed by Andrew Lemay, its president, duly authorized, and its seal to be affixed hereto this twenty-second day of December, 1970.

Lemay Enterprises, Inc.

By: *Andrew Lemay*  
Andrew Lemay, President  
Duly Authorized

STATE OF NEW HAMPSHIRE  
COUNTY OF MERRIMACK

On this the 22<sup>nd</sup> day of December, 1986, before me, the undersigned officer, personally appeared Andrew Lemay, who acknowledged himself to be the President of Lemay Enterprises, Inc., a corporation, and that he, as such President being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

*[Signature]*  
Justice of the Peace/Notary Public

MERRIMACK COUNTY RECORDS  
RECEIVED AND RECORDED  
*Kathi L. Guay*  
RECORDED

DEED OF EASEMENT

28.00

RECEIVED

1987 JUL -2 AM 11: 17

MERRIMACK COUNTY  
REGISTRY OF DEEDS

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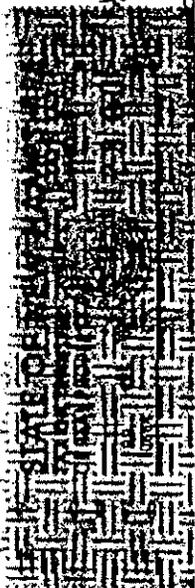
VILLAGE SHORE ESTATES ASSOCIATION, a corporation duly organized and existing under the laws of the State of New Hampshire and having a principal place of business on Rocky Point Drive in Bow, County of Merrimack, and State of New Hampshire, its successors and assigns (all hereinafter called "Grantor"), for consideration paid, grants to WHITE ROCK WATER COMPANY, INC., a duly organized corporation doing business as a public water utility in accordance with the laws of the State of New Hampshire with a mailing address of: c/o J.R. Ward, Hot Hole Pond Road, P. O. Box 7266, Concord, County of Merrimack, and State of New Hampshire 03301, and to its successors and assigns (all hereinafter called "Grantee"), with WARRANTY COVENANTS, the perpetual right and easement to dig and maintain a well, to construct and maintain a pumphouse, and to dig and maintain ditches to lay, repair and replace pipes and any other appurtenances necessary to the operation of a water distribution system, on, in and through property now owned by said Grantor and shown on a plan entitled "Final Plat Lots 61-A13 thru 61-A31 with corrections to Lots 61-W, 61-X, 61-V, 61-Y, 61-Z, 61-A1 and 61-A2 Village Shore Estates, Bow, New Hampshire" dated May 15, 1972, and recorded (as revised) as Plan 3138 in the Merrimack County Registry of Deeds, said property being more particularly bounded and described on Exhibit A attached hereto and made a part hereof. Said well, pumphouse, pipes and other appurtenances necessary to the operation of a water distribution system shall be used solely and exclusively

BK1656 PG1070

for all customers, and potential customers, within the Grantee's existing franchise area as said franchise is described on all plans and documents on file with the Public Utilities Commission as of this date. Grantor requires that the location and physical appearance of any and all above and below ground structures constructed in connection with the rights herein granted be subject to the prior approval and acceptance of the Board of Directors of said Grantor, such approval not to be unreasonably withheld. Plans and specifications for such structures shall be submitted to Grantor and shall be deemed to comply with the requirements of this deed only when approved in writing by the Grantor. Grantor shall specify its objections in writing. Notwithstanding the foregoing, Grantor specifically recognizes herein that the size of any necessary above ground structure cannot be determined until a well has been dug and a water supply identified and hereby agrees to allow Grantee to build an above ground structure in such size as <sup>reasonably</sup> ~~grantee deems~~ necessary to pump, filter, store and distribute any water obtained throughout the franchise area, as described above.

There is also granted to the Grantee, the perpetual right and easement to enter upon said premises of the Grantor by employees and agents of said Grantee with machinery, equipment and materials for the purpose of performing the above-described work. The easement is granted to the Grantee, to maintain, repair and replace at no expense to the Grantor, its successors and assigns, any utility lines and/or associated buildings and equipment necessary for the operation of the

108.00



BK1656 PG 471

water system at the property known as Village Shore Estates. This grant is conditioned upon the Grantee restoring the property in each instance as nearly as possible to its pre-existing condition.

The consideration for this grant is further described in an Agreement between Grantor and Grantee, said Agreement is attached hereto as Exhibit B and made a part hereof.

IN WITNESS WHEREOF, Village Shore Estates Association has caused its name to be subscribed and its seal to be affixed by its President, Ira Evans, hereunto duly authorized, this 18<sup>th</sup> day of July, 1987.

WITNESS: VILLAGE SHORE ESTATES ASSOCIATION

Ira Evans  
Ira Evans, Its President,  
hereunto duly authorized

STATE OF NEW HAMPSHIRE  
County of Merrimack

On this 18<sup>th</sup> day of July, 1987, before me the undersigned officer, personally appeared Ira Evans, President of Village Shore Estates Association, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he, being authorized so to do, executed the same for the purposes therein contained.

Douglas J. Miller  
Justice of the Peace  
Notary Public

My commission expires June 24, 1992

BK 1656 Pg 1072

EXHIBIT A

Beginning at a steel pin at the northerly corner of Lot 61-A29 on the easterly sideline of Rocky Point Drive; thence South 52° 11' East, 135.61 feet to the easterly corner of Lot 61-A29 at land of Ladd; thence North 04° 30' East, 150 feet, more or less, to the shoreline of Tukee Pond; thence Westerly along said shoreline 1200 feet, more or less, to the northerly corner of Lot 61-A31; thence South 52° 11' East, 195 feet, more or less, to a point; said point being North 52° 11' West, 20.00 feet, from the easterly corner of Lot 61-A31; thence North 37° 49' East, 60.00 feet to a point; thence South 52° 11' East, 100.00 feet to a point; thence South 37° 49' West, 60.00 feet to a point; thence North 52° 11' West, 20.00 feet to a point; thence South 37° 49' West, 210.00 feet by the easterly sideline of Rocky Point Drive to the point of beginning.

Intending to describe and convey the land described as "Recreation" on said plan.

Meaning and intending to describe and convey hereby, the premises conveyed to Village Shore Estates Association as Tract II, 2, by warranty deed of Lemay Enterprises, Inc., dated September 3, 1980 and recorded in the Merrimack County Registry of Deeds at Book 1378 Page 576.

BK1656 PG1073

EXHIBIT B

AGREEMENT

For consideration of Deed of Easement granted from VILLAGE SHORE ESTATES ASSOCIATION, a corporation duly organized and existing under the laws of the State of New Hampshire (hereinafter called "Association") to WHITE ROCK WATER COMPANY, INC., a duly organized corporation doing business as a water utility in accordance with the laws of the State of New Hampshire, (hereinafter called "Water Company") Water Company agrees to make annual payments to the Association of a sum equivalent to 155% of the annual property taxes assessed on a parcel of land, and any buildings located thereon, owned by the Association as shown on a plan entitled "Final Plat Lots 61-A13 thru 61-A32 with corrections to Lots 61-W, 61-X, 61-V, 61-Y, 61-Z, 61-A1 and 61-A2 Village Shore Estates, Bow, New Hampshire" dated May 15, 1972, as revised and recorded as Plan 3138 in the Merrimack County Registry of Deeds, being more specifically Tract II, 2, and described as "Recreation" on said plan.

Said sum shall be paid by the Water Company and its successors and assigns to the Association on or before January 1 of each year.

The first payment shall be made prior to the delivery of the Deed of Easement in an amount equivalent to a sum pro-rated as of the date the Water Company or its employees and/or agents shall accept delivery of said Deed of Easement,

BK1656 PG1074

based on the amount of the 1986 tax bill received by the Association on said parcel of land, and adjusted as described above.

In the event Water Company fails to make annual payments as described herein, Water Company agrees that the Association shall have a lien against the assets of Water Company up to the amount of any sum then owed by Water Company to the Association, and Water Company further agrees to pay the Association's reasonable costs and attorney fees incurred to enforce this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 1st day of July 1987.

VILLAGE SHORE ESTATES ASSOCIATION

Witness [Signature]  
By [Signature]  
Ira Evans, Its President,  
hereunto duly authorized

WHITE ROCK WATER COMPANY, INC.

Witness [Signature]  
By: [Signature]  
J. R. Ward, Its President  
hereunto duly authorized

BK 1656 PG 1075

**SCHEDULE 1.1(c)**

Seller's Office Supplies, Furniture, and Office Equipment

None

**SCHEDULE 1.1(d)**

Assumed Contracts

Agreement attached as Exhibit B on Deed of Easement with Village Shore Estates Association recorded in Book 1656, Page 1070 in Merrimack Registry of Deeds, a copy of which is attached to Schedule 1.1(b).

**SCHEDULE 1.1(f)**

CIAC (contributions in aid of construction)

See attached.

White Rock Water Co.  
Book Amortization of CIAC

| <u>Account</u> | <u>Description</u>       | <u>Date</u> | <u>Method</u> | <u>Life</u> | <u>Rate</u> | <u>Costs</u>   | <u>12/31/2010<br/>AccumDepr</u> | <u>2011<br/>Depr Exp</u> | <u>2011<br/>Retirements</u> | <u>12/31/2011<br/>AccumDepr</u> | <u>2012<br/>Depr Exp</u> | <u>2012<br/>Retirements</u> | <u>12/31/2012<br/>AccumDepr</u> |
|----------------|--------------------------|-------------|---------------|-------------|-------------|----------------|---------------------------------|--------------------------|-----------------------------|---------------------------------|--------------------------|-----------------------------|---------------------------------|
| 320            | Adsorption System (CIAC) | 1/1/2005    | SL            | 28          | 3.57%       | 136,900        | 26,890                          | 4,889                    |                             | 31,779                          | 4,889                    |                             | 36,667                          |
| 320            | Backwash Booster (CIAC)  | 1/1/2005    | SL            | 28          | 3.57%       | <u>7,000</u>   | <u>1,375</u>                    | <u>250</u>               |                             | <u>1,625</u>                    | <u>250</u>               |                             | <u>1,875</u>                    |
|                | Total                    |             |               |             |             | <u>143,900</u> | <u>28,265</u>                   | <u>5,139</u>             |                             | <u>33,404</u>                   | <u>5,139</u>             | <u>0</u>                    | <u>38,542</u>                   |

SPSt. Cyr  
5/17/2013

**SCHEDULE 1.1 (g)**

CWIP (construction work in process)

None

**SCHEDULE 1.1(h)**

Inventory

| <u>Account</u> | <u>Description</u>           | <u>Costs</u>     |
|----------------|------------------------------|------------------|
|                | Plant Materials and Supplies |                  |
| 151            | Meters                       | <u>\$ 423.75</u> |
|                | Total                        | <u>\$ 423.75</u> |

**SCHEDULE 1.1(k)**

**Transferable Licenses and Permits**

DES permit to operate .

**SCHEDULE 1.2(b)**

Accounts Receivable

To be attached at closing

**SCHEDULE 1.2(d)**

Excluded Assets

None

**SCHEDULE 1.7**

**Purchase Price Allocation**

The purchase price shall be allocated proportionally according to the final Closing Rate Base among plant, equipment and inventory.

**SCHEDULE 3.5**

Consents and Approvals

Public Utilities Commission

**SCHEDULE 3.6(b)**

Seller's Personal Property

See personal property set forth as part of Schedule 1.1(b).

**SCHEDULE 3.8**

Financial Statement

See attached Schedule F-1 and F-2 from 2012 PUC Annual Report.

Class C Water Utility

**F-1 BALANCE SHEET**  
**Assets and Other Debits**

DW 13-  
White Rock et al.  
DJEV-1  
Page 64 of 84

| Line #                                | Acct #   | Account Title<br>(a)                          | Ref Sch<br>(b) | Current Year End Balance<br>(c) | Previous Year End Balance<br>(d) | Increase or Decrease<br>(e) |
|---------------------------------------|----------|---|----------------|---------------------------------|----------------------------------|-----------------------------|
| <b>UTILITY PLANT</b>                  |          |   |                |                                 |                                  |                             |
| 1                                     | 101->105 | Utility Plant                                 | F-6            | \$394,493                       | \$402,463                        | (\$7,970)                   |
| 2                                     | 108+110  | Less: Accumulated Depreciation & Amortization | F-6            | 192,772                         | 193,940                          | (1,168)                     |
| 3                                     |          | Net Plant                                     |                | \$201,721                       | \$208,523                        | (\$6,802)                   |
| 4                                     | 114-115  | Utility Plant Acquisition Adjustment - Net    | F-7            |                                 |                                  |                             |
| 5                                     |          | Total Net Utility Plant                       |                | \$201,721                       | \$208,523                        | (\$6,802)                   |
| <b>OTHER PROPERTY AND INVESTMENTS</b> |          |   |                |                                 |                                  |                             |
| 6                                     | 121      | Nonutility Property                           | -              |                                 |                                  |                             |
| 7                                     | 122      | Less: Accumulated Depreciation & Amortization | -              |                                 |                                  |                             |
| 8                                     |          | Net Nonutility Property                       |                |                                 |                                  |                             |
| 9                                     | 124      | Utility Investments                           | -              |                                 |                                  |                             |
| 10                                    | 127      | Depreciation Funds                            | -              |                                 |                                  |                             |
| 11                                    |          | Total Other Property and Investments          |                | \$0                             | \$0                              | \$0                         |
| <b>CURRENT AND ACCRUED ASSETS</b>     |          |   |                |                                 |                                  |                             |
| 12                                    | 131      | Cash  | -              | \$2,703                         | \$24,778                         | (\$22,075)                  |
| 13                                    | 132      | Special Deposits                              | -              |                                 |                                  |                             |
| 14                                    | 141-143  | Accounts Receivable Net                       | -              | 17,678                          | 18,604                           | (926)                       |
| 15                                    | 151      | Plant Materials and Supplies                  | -              | 424                             | 1,406                            | (982)                       |
| 16                                    | 162+163  | Prepayments                                   | -              | 1,879                           | 1,921                            | (42)                        |
| 17                                    | 174      | Miscellaneous Current and Accrued Assets      | -              |                                 |                                  |                             |
| 18                                    |          | Total Current and Accrued Assets              |                | \$22,684                        | \$46,709                         | (\$24,025)                  |
| <b>DEFERRED DEBITS</b>                |          |   |                |                                 |                                  |                             |
| 19                                    | 186      | Miscellaneous Deferred Debits                 | -              |                                 |                                  |                             |
| 20                                    | 190      | Accumulated Deferred Income Taxes             | -              |                                 |                                  |                             |
| 21                                    |          | Total Deferred Debits                         |                | \$0                             | \$0                              | \$0                         |
| 22                                    |          | <b>TOTAL ASSETS AND OTHER DEBITS</b>          |                | <b>\$224,405</b>                | <b>\$255,232</b>                 | <b>(\$30,827)</b>           |

Class C Water Utility

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**F-1 BALANCE SHEET**  
**Equity Capital and Liabilities**

| Line #                                 | Acct #   | Account Title (a)   | Ref Sch (b) | Current Year End Balance (c) | Previous Year End Balance (d) | Increase or (Decrease) (e) |
|--|----------|---|-------------|------------------------------|-------------------------------|----------------------------|
| <b>EQUITY CAPITAL</b>                  |          |   |             |                              |                               |                            |
| 1                                      | 201      | Common Stock Issued                                       | F-31        | \$60,000                     | \$60,000                      | \$0                        |
| 2                                      | 204      | Preferred Stock Issued                                    | F-31        |                              |                               |                            |
| 3                                      | 211      | Other Paid In Capital                                     | -           |                              |                               |                            |
| 4                                      | 217      | Retained Earnings   | F-3         | \$59,016                     | \$59,686                      | (670)                      |
| 5                                      | 218      | Proprietary Capital (Proprietorships & Partnerships only) | F-4         |                              |                               |                            |
| 6                                      |          | Total Equity Capital                                      |             | \$119,016                    | \$119,686                     | (\$670)                    |
| <b>LONG TERM DEBT</b>                  |          |   |             |                              |                               |                            |
| 7                                      | 224      | Other Long-Term Debt                                      | F-35        |                              |                               |                            |
|  |          | Total Long Term Debt                                      |             | \$0                          | \$0                           | \$0                        |
| <b>CURRENT AND ACCRUED LIABILITIES</b> |          |   |             |                              |                               |                            |
| 8                                      | 231      | Accounts Payable  | -           |                              |                               |                            |
| 9                                      | 232      | Notes Payable   | F-36        |                              |                               |                            |
| 10                                     | 235      | Customer Deposits   | -           |                              |                               |                            |
| 11                                     | 236      | Accrued Taxes   | F-38        | -                            | 766                           | (766)                      |
| 12                                     | 237      | Accrued Interest  | -           |                              |                               |                            |
| 13                                     | 241      | Miscellaneous Current & Accrued Liabilities               | -           | 32                           | 24,284                        | (24,252)                   |
| 14                                     |          | Total Current and Accrued Liabilities                     |             | \$32                         | \$25,050                      | (\$25,018)                 |
| <b>OTHER LIABILITIES</b>               |          |   |             |                              |                               |                            |
| 15                                     | 252      | Advances for Construction                                 | -           |                              |                               |                            |
| 16                                     | 253      | Other Deferred Credits                                    | -           |                              |                               |                            |
| 17                                     | 255      | Accumulated Deferred Investment Tax Credit                | -           |                              |                               |                            |
| 18                                     | 265      | Miscellaneous Operating Reserves                          | -           |                              |                               |                            |
| 19                                     | 271-272  | CIAC - Net  | F-46        | 105,357                      | 110,496                       | (5,139)                    |
| 20                                     | 281->283 | Accumulated Deferred Income Taxes                         | -           |                              |                               |                            |
| 21                                     |          | Total Other Liabilities                                   |             | \$105,357                    | \$110,496                     | (\$5,139)                  |
| 22                                     |          | <b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>               |             | <b>\$224,405</b>             | <b>\$255,232</b>              | <b>(\$30,827)</b>          |

F-2 STATEMENT OF INCOME

| Line #                             | Acct # | Account Title (a)                                 | Ref Sch (b) | Current Year (c) | Previous Year (d) | Increase or (Decrease) (e) |
|------------------------------------|--------|---|-------------|------------------|-------------------|----------------------------|
| <b>UTILITY OPERATING INCOME</b>    |        |   |             |                  |                   |                            |
| 1                                  | 400    | Operating Revenue                                 | F-47        | \$66,949         | \$66,111          | \$838                      |
| 2                                  | -      | Operating Expenses:                               |             |                  |                   |                            |
| 3                                  | 401    | Operation and Maintenance                         | F-48        | \$52,381         | \$54,744          | (\$2,363)                  |
| 4                                  | 403    | Depreciation                                      | F-12        | 12,590           | 12,581            | 9                          |
| 5                                  | 405    | Amortization of CIAC                              | F-46.4      | (5,139)          | (5,139)           | -                          |
| 6                                  | 406    | Amortization of Utility Plant Acquisition Adj     | F-49        |                  |                   |                            |
| 7                                  | 407    | Amortization - Other                              | F-49        |                  |                   |                            |
| 8                                  | 408    | Taxes Other Than Income                           | F-50        | 7,787            | 6,935             | 852                        |
| 9                                  | -      | Income Taxes (409.1+410.1+411.1+412.1)            | -           |                  |                   |                            |
| 10                                 |        | Total Operating Expenses                          |             | \$67,619         | \$69,121          | (\$1,502)                  |
| 11                                 |        | Net Operating Income (Loss)                       |             | (\$670)          | (\$3,010)         | \$2,340                    |
| <b>OTHER INCOME AND DEDUCTIONS</b> |        |   |             |                  |                   |                            |
| 12                                 | 419    | Interest & Dividend Income                        | -           |                  |                   |                            |
| 13                                 | 420    | Allowance for Funds Used During Construction      | -           |                  |                   |                            |
| 14                                 | 421    | Non-Utility Income                                | -           |                  |                   |                            |
| 15                                 | 422    | Gain (Loss) From Disposition Nonutility Property  | -           |                  |                   |                            |
| 16                                 | 426    | Miscellaneous Non-Utility Expenses                | F-57        |                  |                   |                            |
| 17                                 | 427    | Interest Expense                                  | -           |                  | 246               | (246)                      |
| 18                                 | -      | Taxes Other Than Income (409.2+410.2+411.2+412.2) | -           |                  |                   |                            |
| 19                                 |        | Total Other Income and Deductions                 |             | \$0              | \$246             | (\$246)                    |
| 20                                 |        | NET INCOME (LOSS)                                 |             | (\$670)          | (\$2,764)         | \$2,094                    |

**SCHEDULE 3.10**

Accounts Receivable

To be attached at closing.

**SCHEDULE 3.11**

Accounts Payable

To be attached at closing.

## **SCHEDULE 3.12**

### Contracts

Other than contracts set forth on Schedule 1.1(d):

1. Annual Contract with C & C Water Services, Inc. to provide support services, which will be terminated at closing.

**SCHEDULE 3.13**

Litigation

None

**SCHEDULE 3.16(a)**

Employee Benefits Programs

None

**SCHEDULE 3.16(b)**

Employees

None

**SCHEDULE 3.16(c)**

Independent Representatives/Consultants

None other than Seller's Attorneys, Accountant, and the C & C Water Services Contract referenced in Schedule 3.12.

## **SCHEDULE 3.17**

### Approvals

1. DES Permit to operate
2. Public Utilities Commission

## **SCHEDULE 3.20**

### Transactions with Interested Persons

1. Terry Crawshaw provides some administrative services annually for which she usually receives \$3,000 to \$4,000. This will end upon closing.
2. See reference to contract with C & C Water Services, Inc. in Schedule 3.12.

**Exhibit A**

**Rate Base Calculation**

**See attached Year End Rate Base sheet**

White Rock

Year End Rate Base

|                          | <u>2012</u>       |
|--------------------------|-------------------|
| Utility Plant            | \$ 394,493        |
| Accumulated Depreciation | <u>(192,772)</u>  |
| Net Utility Plant        | \$ 201,721        |
| Material and Supplies    | 424               |
| Prepayment               | 1,879             |
| Cash Working Capital:    |                   |
| 2011 (\$54,744 x 20.55%) |                   |
| 2012 (\$52,381 x 20.55%) | 10,764            |
| CIAC - Net               | <u>(105,357)</u>  |
| Total Year End Rate Base | <u>\$ 109,431</u> |

SPSt. Cyr  
7/15/2013

**Exhibit B**

Water Supply and Sewage Disposal Disclosure

Not applicable, as there are no sinks, toilets or other water usage on Seller's real estate.

There is no sewage and no sewage disposal.

## Exhibit C

### Radon Gas and Lead Paint Disclosure

Radon Gas: Radon gas, the product of decay of radioactive materials in rock may be found in some areas of New Hampshire. This gas may pass into a structure through the ground or through water from a deep well. Testing can establish its presence and equipment is available to remove it from the air or water.

Lead Paint: No lead paint disclosure required.

**Exhibit D**

Form of Non-Competition Agreement

See attached.

## CONFIDENTIALITY, NON-COMPETITION, AND NON-SOLICITATION AGREEMENT

THIS CONFIDENTIALITY, NON-COMPETITION, AND NONSOLICITATION AGREEMENT ("Agreement") is being executed and delivered as of \_\_\_\_\_, 2013, by Theresa Crawshaw, an individual ("Shareholder"), in favor of, and for the benefit of Abenaki Water Co., Inc., a New Hampshire corporation (the "Buyer"). Certain capitalized terms used in this Agreement are defined in Section 14.

WHEREAS, White Rock Water Company, a New Hampshire corporation (the "Company"), is engaged in the business of owning, constructing, operating, and managing facilities and plants for the distribution and sale of water (the "Services").

WHEREAS, Pursuant to a certain Asset Purchase Agreement dated as of August \_\_, 2013, among the Buyer, the Shareholder, and the Company (the "Asset Purchase Agreement"), Buyer is acquiring all of the assets of the Company (the "Assets").

WHEREAS, In connection with the acquisition by the Buyer of all of the assets of the Company pursuant to the Asset Purchase Agreement (and as a condition to the consummation of such acquisition), and to enable the Buyer to secure more fully the benefits of such acquisition, the Buyer has required that Shareholder enter into this Agreement; and Shareholder is entering into this Agreement in order to induce the Buyer to consummate the acquisition contemplated by the Asset Purchase Agreement.

In order to induce the Buyer to consummate the transactions contemplated by the Asset Purchase Agreement, and for other good and valuable consideration, Shareholder agrees as follows:

1. Restriction on Competition. During the Restricted Period, Shareholder shall not, and shall not permit any of his/her Affiliates to directly or indirectly, own, engage in, manage, operate, finance, consult with, control or participate in the ownership, management, operation or control of, or act or serve as an officer, director, trustee, employee, agent, representative, partner, joint venturer, manager, operator, consultant, lender or creditor of or with any Person which is engaged in, any business or activity (each, a "Competing Business") that offers the same or substantially similar Services or otherwise competes with the Buyer within thirty (30) miles of Gilford, New Hampshire (the "Territory"); *provided, however*, that this Section 1 shall not apply to Shareholder's ownership, directly or indirectly, solely for investment purposes, of not more than five percent (5%) of the equity securities (or securities convertible or exchangeable into or exercisable for such equity securities) of any entity that is traded on an established securities exchange or quotation system. Shareholder acknowledges, confirms and agrees that the covenant set forth in this Section 1 is reasonable as to scope, duration, and geographical area.

2. No Hiring or Solicitation of Employees; Non-Solicitation. Shareholder agrees that, during the Restricted Period, Shareholder shall not, and shall not permit any of his/her Affiliates to: (a) hire any employee of Buyer or Buyer's Affiliates, or (b) directly or indirectly, personally or through others, encourage, induce, attempt to induce, solicit or attempt to solicit (on Shareholder's own behalf or on behalf of any other Person) any employee of Buyer or Buyer's Affiliates to leave his or her employment with the Buyer or the Buyer's Affiliates.

3. No Disclosure. Shareholder acknowledges, confirms, and agrees that she possesses knowledge of and is familiar with trade secret and other proprietary or confidential information concerning or relating to the Company (including, without limitation, business plans, budgets, financial

data and projections, product specifications, product development plans, current and proposed research and development, technology, inventions, software, know-how, designs, formulae, processes, discoveries, concepts, ideas, current and planned methods of operation, current and anticipated customer requirements, customer lists, price lists, royalty schedules, market studies and the like), which information is not generally known to the public (collectively, "Confidential Information"). Shareholder shall not, and shall cause her Affiliates not to, directly or indirectly, disclose, exploit, or otherwise use any portion of the Confidential Information for any purpose whatsoever. Notwithstanding the preceding sentence, Shareholder or any of her Affiliates may disclose that portion (and only that portion) of the Confidential Information (i) as may be approved in writing in advance by Buyer, (ii) as may be required by applicable external legal demand, legal process, governmental authority or a court of competent jurisdiction, or (iii) as may hereafter become generally known to the public through no breach of this covenant by Shareholder or any of her Affiliates. In the event of any disclosure permitted by clause (ii) of the preceding sentence, Shareholder and her Affiliates shall give prior written notice to Buyer of the content of the requested disclosure and the reasons requiring such disclosure so that Buyer may seek an appropriate protective order or other remedy or Buyer may waive compliance with this Section 3. In the event that Buyer is unable to obtain a protective order or other appropriate remedy or Buyer does not waive compliance with this Section 3, Shareholder or her Affiliates, as applicable, may disclose only that portion of the Confidential Information that Shareholder or such Affiliate is legally required to disclose (as determined by, if requested by Buyer, a written opinion of counsel reasonably acceptable to Buyer); *provided, however*, that upon the request of Buyer and at its expense, Shareholder and her Affiliates shall use their commercially reasonable efforts to obtain a protective order or other reliable assurance that confidential treatment will be accorded to that portion of the Confidential Information so disclosed.

4. No Disparagement. During the Restricted Period, Shareholder shall not, and shall cause [his/her] Affiliates not to, directly or indirectly, disparage or otherwise injure or damage the reputation of the Buyer or any of its directors, officers, or employees.

5. Specific Performance. Shareholder agrees that, in the event of any breach or threatened breach by Shareholder of any covenant or obligation contained in this Agreement, the Buyer shall be entitled (in addition to any other remedy that may be available to it, including monetary damages) to seek and obtain (a) a decree or order of specific performance to enforce the observance and performance of such covenant or obligation, and (b) an injunction restraining such breach or threatened breach.

6. Non-Exclusivity. The rights and remedies of the Buyer under this Agreement are not exclusive of or limited by any other rights or remedies which they may have, whether at law, in equity, by contract or otherwise, all of which shall be cumulative (and not alternative). Without limiting the generality of the foregoing, the rights and remedies of the Buyer under this Agreement, and the obligations and liabilities of Shareholder under this Agreement, are in addition to their respective rights, remedies, obligations and liabilities under the law of unfair competition, under laws relating to misappropriation of trade secrets, under other laws and common law requirements and under all applicable rules and regulations. Nothing in this Agreement shall limit any of Shareholder's obligations, or the rights or remedies of the Buyer under the Asset Purchase Agreement; and nothing in the Asset Purchase Agreement shall limit any of Shareholder's obligations, or any of the rights or remedies of the Buyer under this Agreement.

7. Severability. If any provision of this Agreement or any part of any such provision is held under any circumstances to be invalid or unenforceable in any jurisdiction, then (a) such provision or part thereof shall, with respect to such circumstances and in such jurisdiction, be deemed amended to conform to applicable laws so as to be valid and enforceable to the fullest possible extent, (b) the invalidity or unenforceability of such provision or part thereof under such circumstances and in such jurisdiction shall

not affect the validity or enforceability of such provision or part thereof under any other circumstances or in any other jurisdiction, and (c) the invalidity or unenforceability of such provision or part thereof shall not affect the validity or enforceability of the remainder of such provision or the validity or enforceability of any other provision of this Agreement. Each provision of this Agreement is separable from every other provision of this Agreement, and each part of each provision of this Agreement is separable from every other part of such provision.

8. Governing Law; Venue. This Agreement shall be governed by the laws of the State of New Hampshire, both as to interpretation and performance, regardless of the choice of law rules of that or any other state. Employee agrees to be subject to personal jurisdiction in the State of New Hampshire, and that the sole and exclusive jurisdiction and venue for any action arising out of or related to this Agreement shall be in the state or federal courts for the State of New Hampshire, except as may be necessary to enforce an order of such courts. Employee agrees and hereby consents and assents to jurisdiction and venue in Business and Commercial Dispute Docket for the Superior Court for the State of New Hampshire.

9. Attorneys' Fees. If any legal action or other legal proceeding relating to this Agreement or the enforcement of any provision of any of this Agreement is brought against any party to this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees, costs and disbursements (in addition to any other relief to which the prevailing party may be entitled).

10. Waiver. No failure on the part of the Buyer to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of the Buyer in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

11. Successors and Assigns. The Buyer may freely assign any or all of its rights under this Agreement, at any time, in whole or in part, to any Person without obtaining the consent or approval of Shareholder or of any other Person. This Agreement shall be binding upon Shareholder and his/her successors and assigns, and shall inure to the benefit of the Buyer.

12. Captions. The captions contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

13. Amendment. This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered on behalf of Shareholder and the Buyer (or any successor to the Buyer).

14. Defined Terms. For purposes of this Agreement:

(a) "Affiliate" means, with respect to any specified Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified Person.

(b) "Person" means any: (i) individual; (ii) corporation, general partnership, limited partnership, limited liability partnership, trust, company (including any limited liability company or joint stock company) or other organization or entity; or (iii) governmental body or authority.

(c) "Restricted Period" shall mean the period commencing on the date of this Agreement and ending five (5) years thereafter.

IN WITNESS WHEREOF, Shareholder has duly executed and delivered this Agreement as of the date first above written.

By: \_\_\_\_\_  
Theresa Crawshaw, an individual

*Signature page – Confidentiality, Non-Competition, and Non-Solicitation Agreement*

**ASSET PURCHASE AGREEMENT**

by and among

**New England Service Company**

as parent company of

**Abenaki Water Co., Inc.**

as Buyer

**Lakeland Management Company**

as Seller

and

**Theresa Crawshaw**

as Shareholder

Dated: August 9, 2013

## ASSET PURCHASE AGREEMENT

AGREEMENT entered into as of August 9, 2013 by and among New England Service Company, a Connecticut corporation with a principal place of business at 37 Northwest Drive, Plainville, Connecticut 06062 ("Parent"), Abenaki Water Co., Inc., a New Hampshire corporation with a principal place of business at 37 Northwest Drive, Plainville, Connecticut 06062 ("Buyer"), Lakeland Management Company, Inc., a New Hampshire corporation with a principal place of business at 24 Tate Road, Gilford, New Hampshire 03249 ("Seller"), and Theresa Crawshaw, an individual with a mailing address of P.O. Box 7394, Gilford, New Hampshire 03247 (the "Shareholder").

### W I T N E S S E T H

WHEREAS, Buyer is wholly owned by Parent, formed for the purpose of acquiring all of the assets of Seller;

WHEREAS, Seller is engaged in the business of, among other things, owning, constructing, operating, and managing facilities and plants for the distribution and sale of water and a public sewer system (the "Business");

WHEREAS, subject to the terms and conditions hereof, Seller desires to sell the Business and substantially all of its properties and assets relating to the Business;

WHEREAS, subject to the terms and conditions hereof, Buyer desires to purchase said business, properties and assets of Seller for the consideration specified herein;

WHEREAS, the Shareholder owns all of the issued and outstanding equity interests in the Seller; and

NOW, THEREFORE, in order to consummate said purchase and sale and in consideration of the mutual agreements set forth herein, the parties hereto agree as follows:

### **SECTION 1. PURCHASE AND SALE OF ASSETS**

1.1 Purchased Assets. Subject to the provisions of this Agreement, Seller agrees to sell and Buyer agrees to purchase, at the Closing (as defined in Section 1.6 hereof), Seller's Business and all of the properties and assets of every kind and description of Seller relating to such business, including, without limitation, those assets listed on Schedule 1.1 and particularly described below (however, excluding the Excluded Assets set forth in Section 1.2 hereof) (collectively, the "Purchased Assets"):

(a) all of Seller's goodwill relating or attributable to or arising from Seller's Business and the Purchased Assets;

(b) all of Seller's property (both real and personal), plant and equipment, all as set forth on Schedule 1.1(b);

- (c) all of Seller's office supplies, machinery, office equipment, telephone equipment, furniture, furnishings, fixtures, computer hardware and other computer equipment (including any cell phones or other similar devices), tools, instruments, vehicles, and other tangible personal property, all as set forth on Schedule 1.1(c);
- (d) all of Seller's contracts, agreements, commitments, claims and rights under any such orders, contracts and proposals set forth on Schedule 1.1(d) (the "Assumed Contracts");
- (e) all franchise rights to operate the Seller's regulated utility services in its franchise areas;
- (f) all contributions in aid of construction ("CIAC"), as set forth on Schedule 1.1(f);
- (g) all construction work in process ("CWIP"), as set forth on Schedule 1.1(g);
- (h) all inventory of the Seller as of the Closing Date as set forth on Schedule 1.1(h) identifying all of the inventory by product, location and Seller's cost of inventory;
- (i) all of Seller's general and other intangibles, trade secrets and information, know-how, methods, processes, formulae, drawings, material and performance specifications and all computer software, owned or licensed;
- (j) all of Seller's customer lists, lists of prospective customers, pending quotations, pending new business, files and records, personnel files and records;
- (k) all of Seller's licenses and permits that can be transferred to Buyer as set forth on Schedule 1.1(k) together with, if any, all rights of renewal and amenities thereto;
- (l) the use of Seller's mailboxes, telephone numbers (cellular and land line), facsimile numbers, electronic addresses and web sites;
- (m) copies of all books and records of Seller relating to the assets being transferred including, without limitation, receivables journals and ledgers, invoices, receipts, canceled checks, repair and maintenance records, correspondence related to the operation of Seller's Business and correspondence and materials related to Seller's tax returns, including any declarations, reports or statements,
- (n) all of Seller's intellectual property of every kind, including with limitation all trademarks, service marks, logos and marketing materials, and any trade names and designations relating to or used by Seller; and

(o) all domain names and web sites registered to the Seller or to the Shareholder that are related to the Business.

It is expressly agreed that the assets and properties sold hereunder shall include all assets and properties needed by Buyer to own and operate the Business, whether or not listed in any Schedule hereto.

1.2 Excluded Assets. Notwithstanding the foregoing, the Purchased Assets shall not include the following items (the "Excluded Assets"):

(a) all cash on hand in Seller bank accounts;

(b) all accounts receivable of the Seller for services rendered by the Seller as of the Closing Date, all of which are set forth on Schedule 1.2(b) to be completed and delivered to the Buyer as of the Closing Date (the "Accounts Receivable") identifying each account by customer and balance due, which Accounts Receivable the Buyer shall use reasonable efforts to assist the Seller in collection and remittance to the Seller within five (5) business days of the Buyer's receipt thereof, and Buyer agrees (i) that monies received from a customer shall first be applied to the Accounts Receivable of such customer and (ii) to terminate the service of delinquent customers in accordance with NHPUC regulations;

(c) the prorated amount of all service in process reflected by the next meter readings following the Closing and covering the days prior to Closing (the "Prorated Service In Process"), which Prorated Service In Process the Buyer shall use reasonable efforts to assist the Seller in collection and remittance to the Seller within five (5) business days of the Buyer's receipt thereof;

(d) all contracts other than the Assumed Contracts;

(e) the additional Excluded Assets set forth on Schedule 1.2(d) hereto.

1.3 Assumption of Liabilities. The Buyer will assume the following liabilities (the "Assumed Liabilities"):

(a) Seller's obligations under the Assumed Contracts.

(b) Except for the Assumed Liabilities, Buyer will not assume any liabilities or obligations of the Seller of any nature, whether accrued, absolute, contingent or otherwise, asserted or unasserted, known or unknown, in connection with the sale and purchase of the Purchased Assets, and is expressly not assuming any State of New Hampshire Drinking Water Revolving Loan Fund loans ("SRF Loans") outstanding as of the Closing. Without limiting the preceding sentence, Buyer specifically disclaims any liability of any nature of the Seller in connection with any accounts payable and accrued expenses of the Seller or the Excluded Assets set forth in Section 1.2 and on Schedule 1.2(d).

1.4 Purchase Price.

(a) Payment of Purchase Price. The consideration for the Purchased Assets (the "Purchase Price") shall be equal to the Seller's Closing Rate Base, as determined pursuant to Section 1.4(b), plus the Seller's Recovery Rate Case Expense. "Closing Rate Base" means the Seller's gross plant less accumulated depreciation, CIAC, accumulated deferred income taxes, and such other deductions to gross plant that are considered for ratemaking purposes in New Hampshire, all determined as of the Closing Date or, if the Closing Date is not the last day of a month, as of the last day of the month preceding the Closing Date. "Recovery Rate Case Expense" means the Seller's recovery for rate base expense not yet billed, as authorized by the NHPUC in Order No. 25,357 (May 1, 2012) and as detailed in Schedule 1.4(a) to be provided as of the Closing Date. Buyer shall pay the Purchase Price to the Seller as follows:

(i) On the Closing Date, Buyer shall pay to the Seller by wire transfer of immediately available funds, cashier's or certified check, or such other form of payment as shall be acceptable to the Seller and Buyer the Closing Rate Base, minus the amount of any SRF Loan assumed by the Buyer (the "Closing Consideration");

(ii) Buyer shall pay to the Seller the Recovery Rate Base Expense in due course as collected by Buyer and within five (5) days of Buyer's receipt thereof.

(b) Calculation of Closing Rate Base. At least two (2) weeks prior to the Closing, but no later than one (1) week following the NHPUC Approval, the Seller shall deliver to the Buyer (x) a Closing Rate Base statement (the "Draft Rate Base Statement") setting forth the Closing Rate Base calculations of the Company, calculated consistent with Exhibit A, as of the date of Closing; and (y) all financial, accounting, and other records of the Company necessary, to Buyer's satisfaction, in order to calculate the Closing Rate Base. Within one (1) week of receipt of the Draft Rate Base Statement and supporting financial information from Seller, the Buyer shall provide written notice to Seller of any objections to the Draft Rate Base Statement; and, if such objections are so provided, the parties (and their respective representatives) shall work together in good faith to resolve any differences as to the Draft Rate Base Statement. The Draft Rate Base Statement that is mutually agreed to and accepted by the parties shall be the Closing Rate Base for purposes of the Purchase Price. If the parties cannot agree on the Draft Rate Base Statement within thirty (30) days of the NHPUC approval, then this Agreement shall stand terminated and the parties shall have no further obligations to, or recourse against, each other. Notwithstanding the calculation of the Closing Rate Base, Seller shall not be obligated to furnish the amount of cash working capital calculated consistent with Exhibit A to Buyer.

(c) Except as otherwise provided herein, Seller and the Shareholder understand and agree that they are responsible for all taxes associated with the Purchase Price.

1.5 Time and Place of Closing. The closing of the purchase and sale provided for in this Agreement (herein called the "Closing") shall be held at the offices of McLane, Graf, Raulerson & Middleton, Professional Association, 900 Elm Street, 10th floor, Manchester, New Hampshire, as soon as possible after the NHPUC Approval (as defined in Section 2.1(a) below), or at such other time and place as the parties may agree, but no later than thirty (30) business days after the NHPUC Approval. The date of the Closing is hereinafter referred to as the

“Closing Date” and the effective time of the Closing of the purchase and sale under this Agreement shall be 11:59 p.m. on the Closing Date.

1.6 Further Assurances. Seller and the Shareholder from time to time after the Closing at the request of Buyer and without further consideration shall execute and deliver further instruments of transfer and assignment and take such other action (including, without limitation, providing any information regarding the Seller’s Business) as Buyer may reasonably require to more effectively transfer and assign to, and vest in, Buyer each of the Purchased Assets. Nothing herein shall be deemed a waiver by Buyer of its right to receive at the Closing an effective assignment of each of the leases, contracts, commitments or rights of Seller as otherwise set forth in this Agreement.

1.7 Allocation of Purchase Price. The Purchase Price will be allocated amongst the Purchased Assets as set forth on Schedule 1.7, which has been agreed to by all of the parties to this Agreement, and the parties shall file all local, state and federal tax returns, including Form 8594, consistent with such Schedule.

1.8 Sales and Transfer Taxes. All sales and transfer taxes (with the exception of New Hampshire real estate transfer taxes, which shall be paid equally by Seller and Buyer), fees and duties under applicable law incurred in connection with this Agreement or the transactions contemplated thereby will be borne and paid by Seller, and Seller shall promptly reimburse Buyer for the payment of any such tax, fee or duty which it is required to make under applicable law. Buyer shall pay the recording fees for the deeds associated with the Purchased Assets and attendant LCHIP fees, while Seller shall pay any fees to record any title or lien clearing documents and any attendant LCHIP fees.

## **SECTION 2. CLOSING OBLIGATIONS AND CONDITIONS**

2.1 Conditions to Each Party’s Obligations to Effect the Closing. The respective obligations of each party to effect the transaction contemplated hereby are subject to the fulfillment or joint waiver by the parties at or prior to the Closing Date of the following conditions:

(a) Required Approvals. The parties shall have obtained all required regulatory approvals, specifically including the approval of the NHPUC to the acquisition of the assets of both the Seller and of the Seller’s affiliate, White Rock Water Company, Inc. (“White Rock”), a New Hampshire corporation by the Buyer (together, the “NHPUC Approval”), that all such approvals shall have become final orders, including the expiration of any applicable rehearing or statutory or regulatory appeal periods, and that such final orders shall not impose terms and conditions which, individually or in the aggregate, would have a material adverse effect on the transaction (each party agreeing to use its commercially reasonable efforts to obtain all such approvals);

(b) Simultaneous Purchases. The parties shall have executed and delivered all documents and shall have fulfilled all conditions necessary to close the purchase by Buyer of the business assets of White Rock and the purchase by Parent of the business assets of C & C Water Services, Inc. (“C & C Water”), a New Hampshire corporation;

(c) Adverse Changes. There shall have been no material adverse changes in the business prospects or condition, financial or otherwise, of the Business or the Purchased Assets;

(d) Litigation. On the Closing Date no suit, action or other proceeding shall be pending or threatened before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator, by which the petitioner or other party seeks to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, which in the opinion of counsel for Buyer makes it inadvisable to proceed with the consummation of such transactions; and

(e) Due Diligence Review. Buyer shall have completed to its satisfaction its due diligence review of the Business, including a review of the Seller's December 31, 2012 year-end financial statements and the Seller's financial statements for the month-end immediately preceding the Closing Date as well as the Real Property inspections and examination of title described in Sections 2.1(f) and 2.1(g) below.

(f) Inspections. The "Inspection Period" shall commence on the date hereof and terminate at 5:00 P.M. (Eastern Daylight Savings Time) on October 8, 2013 (sixty (60) days from the date of this Agreement). Buyer shall have the right, upon notice to the Seller, to enter upon the Real Property at reasonable times and places, in order to conduct inspections, examinations and surveys of the Real Property, so long as said inspections do not unreasonably interfere with Seller's operation and maintenance of the Business. Buyer shall be responsible for the conduct of its agents, employees and contractors and shall indemnify and hold harmless Seller from any and all claims made pursuant to said inspections and examinations. Buyer shall have until the expiration of the Inspection Period to conduct its due diligence on the Real Property. Buyer may, for any or no reason, terminate this Agreement by giving written notice of termination ("Termination Notice") to Seller on or before the expiration of the Inspection Period. Upon receipt by Seller of such Termination Notice, this Agreement shall be terminated and the parties shall have no further obligations to or recourse against each other.

(g) Examinations of Title. The Buyer shall have until the expiration of the Inspection Period to examine title to the Property, at the Buyer's expense, and to make any objections thereto to the Seller in writing. If Buyer fails to make any objections on or before the expiration of the Inspection Period, the Buyer shall be deemed to have accepted all exceptions to title that would have been shown in a title commitment, survey or UCC search, all such exceptions and matters and any matters caused by or through the Buyer shall be referred to herein as "Permitted Exceptions". If any objections to title, survey or a UCC search are made properly on or before the expiration of the Inspection Period, the Seller shall have the right, but not the obligation, exercisable by written notice to the Buyer within fourteen (14) days after delivery of Buyer's objections, to cure (by removal, endorsement over, or otherwise) such objections to the Buyer's reasonable satisfaction, on or before the Closing Date. If no such notice from the Seller concerning such election is received by the Buyer by such date, the Seller shall be deemed to have elected not to cure any such objections. If any such objections are not cured by the Seller by the scheduled Closing Date, the Buyer shall have the option to either terminate the Agreement and neither party shall thereafter have any claim against the other, or to

accept the transfer of such title as the Seller is able to convey and pay the full Purchase Price thereof. At no cost to Seller, Buyer shall deliver to Seller's counsel a complete copy of the abstract of title and title opinion obtained or prepared for this transaction as soon as Buyer or Buyer's counsel receives it, or is entitled to receive it.

(h) Water Supplies/Sewage Disposal Disclosure: Attached hereto and incorporated herein as Exhibit B is the Water Supply and Sewage Disposal Disclosure made pursuant to New Hampshire RSA 477:4-c. The Buyer acknowledge receipt of this Disclosure and agrees that the Seller has complied with RSA 477:4-c.

(i) Radon Gas/Lead Paint: Attached hereto and incorporated herein as Exhibit C is the Radon Gas and Lead Paint Disclosure made pursuant to RSA 477:4-a. The Buyer acknowledge receipt of this Disclosure and agrees that the Seller has complied with RSA 477:4-a.

2.2 Seller's and Shareholder's Closing Deliverables. At or prior to the Closing, except as otherwise noted, Seller and the Shareholder shall deliver, or cause to be delivered, to Buyer the following documents in such form and substance as are satisfactory to Buyer and Buyer's counsel:

(a) Such executed and, as appropriate, notarized transfer documents as may be requested by Buyer or its counsel in order that good and marketable title to the Purchased Assets shall pass from Seller to Buyer;

(b) A Warranty Deed for each parcel of the Real Property running to the Buyer conveying good, clear, record, marketable and insurable title in fee simple absolute;

(c) Evidence satisfactory to Buyer and Buyer's counsel of Seller's amendment to its Articles of Incorporation to change its name from "Lakeland Management Company" to a name that is substantially dissimilar, effective following the Closing;

(d) Pay-off letters and evidence of release of encumbrances on the Purchased Assets by the State of New Hampshire and any other third party;

(e) Certificate of good standing of Seller from the New Hampshire Secretary of State dated as of a date that is within ten (10) days of the Closing;

(f) Certificate of Secretary of Seller certifying (i) adoption of resolutions of the Board of Directors and the Shareholder of Seller approving and authorizing the Agreement and the transactions contemplated hereby, and (ii) the incumbency of the officers of Seller executing this Agreement and other documents delivered pursuant to this Agreement;

(g) A certificate signed by Seller's President and the Shareholder, dated as of the Closing Date, certifying that (i) all of the representations and warranties of Seller and the Shareholder hereunder are true and accurate on and as of the Closing Date and (ii) that all the covenants of Seller and the Shareholder have been duly performed on and as of the Closing Date;

(h) ~~A copy of Seller's Articles of Incorporation, as amended, certified by the Secretary of State of New Hampshire;~~

(i) A copy of Seller's Bylaws certified by the Secretary of Seller;

(j) All of Seller's leases, contracts, commitments, agreements and rights relating to the Purchased Assets, with such assignments thereof and consents to assignments as are necessary to assure Buyer of the full benefit of the same;

(k) All of Seller's current business records, books and other data relating to the Purchased Assets shall be maintained in the Gilford, New Hampshire office of the Seller with Buyer's right to fully access such records, books, and data at any time;

(l) The Seller and Shareholder shall have executed and delivered to Buyer and Parent a Confidentiality, Non-Competition, and Non-Solicitation Agreement in substantially the form of Exhibit D attached hereto (the "Non-Competition Agreement");

(m) Seller shall have made all filings with and notifications of governmental authorities, regulatory agencies and other entities required to be made by Seller in connection with the execution and delivery of this Agreement, the performance of the transactions contemplated hereby and the continued operation of the Business of Seller by Buyer subsequent to the Closing; and Seller and Buyer shall have received all authorizations, waivers, consents and permits, in form and substance reasonably satisfactory to Buyer, from all third parties, including, without limitation, applicable governmental authorities, regulatory agencies, including the NHPUC, lessors, lenders and contract parties, required to permit the continuation of the Business of Seller and the consummation of the transactions contemplated by this Agreement, and in connection with the transfer of Purchased Assets or Seller's contracts, permits, leases, licenses and franchises, to avoid a breach, default, termination, acceleration or modification of any indenture, loan or credit agreement or any other agreement, contract, instrument, mortgage, lien, lease, permit, authorization, order, writ, judgment, injunction, decree, determination or arbitration award as a result of, or in connection with, the execution and performance of this Agreement; and

(n) Such other documents, agreements or instruments that Buyer may reasonably request that do not materially expand the Seller's obligations under this Agreement but rather only evidence Seller's or Shareholder's compliance with its terms.

2.3 Buyer's Closing Deliverables. At or prior to the Closing, except as otherwise noted, Buyer shall deliver, or cause to be delivered, to or on behalf of, Seller in such form and substance as are satisfactory to Seller and Seller's counsel:

(a) The Purchase Price, payable in accordance with Section 1.4;

(b) An executed copy of the Non-Competition Agreement with each of Seller and Shareholder;

(c) Certificate of the Secretary of Buyer certifying (i) adoption of resolutions of the Board of Directors of Buyer and the Board of Directors of Parent approving and

authorizing the Agreement and the transactions contemplated hereby, (ii) the incumbency of the officers or managers of Buyer and Parent executing this Agreement and or the other documents delivered pursuant to this Agreement, as applicable;

(d) A certificate signed by Buyer's President, dated as of the Closing Date, certifying that all of the representations and warranties of Buyer hereunder are true and accurate on and as of the Closing Date; and

(e) Such other documents, agreements or instruments that Seller may reasonably request that do not materially expand the Buyer's obligations under this Agreement but rather only evidence Buyer's compliance with its terms.

### **SECTION 3. REPRESENTATIONS AND WARRANTIES OF SELLER AND THE SHAREHOLDER**

3.1 Making of Representations and Warranties. As a material inducement to Buyer to enter into this Agreement and consummate the transactions contemplated hereby, Seller and Shareholder jointly and severally hereby make to Buyer the representations and warranties contained in this Section 3.

3.2 Corporate Organization and Qualifications of Seller. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of New Hampshire. Seller has the corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted, and is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified, either individually or in the aggregate, would not have a Material Adverse Effect on Seller. "Material Adverse Effect" as used in this Agreement means a material adverse effect on the properties, business, assets, financial condition or prospects of the relevant party and its affiliates, taken as a whole. The Articles of Incorporation as amended to date, certified by the New Hampshire Secretary of State, and the Bylaws or other similar governing documents of Seller as amended to date, certified by Seller's Secretary, copies of which have previously been delivered to Buyer, are true, complete and correct copies of such documents as in effect as of the date of this Agreement. Seller is not in violation of any term of its Articles of Incorporation or Bylaws.

3.3 Capitalization. The Shareholder owns beneficially and of record all of the issued and outstanding shares of capital stock of Seller. Seller does not have and is not bound by any outstanding subscriptions, options, warrants, calls, commitments, rights agreements or agreements of any character calling for the purchase or issuance of any shares of its capital stock. There are no voting agreements, trusts, proxies or other agreements, instruments or undertakings with respect to the voting of Seller's capital stock to which Seller or Shareholder are a party. Except as described below, Shareholder holds her shares free and clear of all liens, charges, encumbrances and security interests, all such shares are, and as of the Closing, will be, duly authorized and validly issued and are fully paid, non-assessable and free of all preemptive rights, liens, charges, encumbrances and securities interests, of any kind or nature whatsoever, with no personal liability attaching to the ownership thereof. Notwithstanding the other sentences of this

Section 3.3, the capital stock of Seller is subject to the Stock Pledge and Escrow Agreement attached hereto in Schedule 3.3 (the "Pledge"). The Pledge secures the payment of a promissory note given for the purchase of the capital stock of Seller. The installments due under the note secured by the Pledge are current.

3.4 Authority of Seller and the Shareholder. Seller has full right, authority and power to enter into this Agreement and each agreement, document and instrument to be executed and delivered by Seller pursuant to this Agreement and to carry out the transactions contemplated hereby. The execution, delivery and performance by Seller of this Agreement and each such other agreement, document and instrument have been duly authorized by all necessary action of Seller and the Shareholder and no other action on the part of Seller or the Shareholder is required in connection therewith. This Agreement and all ancillary documents have been duly and validly executed and delivered by Seller and or the Shareholder as applicable, and this Agreement and the ancillary documents constitute valid, legal and binding obligations of Seller and Shareholder, and are enforceable against Seller and Shareholder in accordance with their terms, except that such enforceability may be limited by applicable bankruptcy, insolvency, moratorium or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity.

3.5 Consents and Approvals; No Violation. Except as set forth on Schedule 3.5, the execution and delivery of this Agreement by Seller and Shareholder, the consummation of the transactions contemplated by this Agreement, the sale of the Purchased Assets, and the assumption of the Assumed Liabilities pursuant to the terms of this Agreement, do not require any consent, approval, authorization or permit of, or filing with or notification to, any governmental or regulatory authority or any third party, and will not violate or breach any order, writ, injunction, decree, statute, contract, agreement, rule or regulation applicable to Seller, Shareholder, the Business, or any of the Purchased Assets.

3.6 Real and Personal Property.

(a) Seller has no fee interest in any land or building, with the exception of a pumphouse, and no leaseholds. Seller does have the easements described in the deeds attached hereto in Schedule 1.1(b) (the "Real Property"). The Real Property is not subject to any outstanding option, right of first refusal or agreement of sale, other than this Agreement. Neither the Seller nor Shareholder has received any notice from any governmental authority concerning, or has any knowledge of (A) any special tax or other assessment to be levied against any of the Real Property or (B) any change in the tax assessment of any of the Real Property. Seller has not granted any other person any right to use or occupy any portion of the Real Property. To the best of the Seller's or Shareholder's knowledge, there is no action, pending or threatened, to change the zoning or building ordinances or any other laws, rules, regulations or ordinances affecting the Real Property. Seller has not received any notices of any violation of any applicable federal, state or local laws, ordinances or regulations with regard to the Real Property, which have not been finally resolved. There are no condemnation, environmental, zoning or other land use regulation proceedings, either instituted or, to the knowledge of the Seller or Shareholder, planned to be instituted, that would affect the Real Property. All buildings, structures, and equipment that are a part of the Purchased Assets and purportedly located within easements lie, where the easement is upon an expressly defined space, wholly within the boundaries of such

easements. None of the buildings, structures or equipment that are a part of the Assets, nor the operation and maintenance thereof, violates any restrictive covenant other than such violations, if any, which are not, individually or in the aggregate, reasonably likely to have a Material Adverse Effect. Seller has obtained, possesses, and is in compliance with all licenses, permits, approvals, certificates, and other authorizations required by applicable laws for the use and occupancy of the Real Property as it is currently being utilized, including, without limitation, zoning variances. Seller has not granted any mortgage, pledge, lien, conditional sale agreement, security agreement, encumbrance or other charge on the Real Property which remains outstanding except as specifically disclosed in said Schedule.

(b) Personal Property. A complete description of all the tangible personal property owned or leased by Seller and used in connection with the Business is contained in Schedule 3.6(b). Except as specifically disclosed in said Schedule, Seller has good and marketable title to all of its owned and leased personal property. None of such personal property or assets is subject to any mortgage, pledge, lien, conditional sale agreement, security agreement, encumbrance or other charge except as specifically disclosed in said Schedule.

(c) Sufficiency of Assets. The Purchased Assets are all of the assets used or held for use in the operation of the Business of Seller as the same has been operating prior to the date hereof.

3.7 Intellectual Property. To Seller's knowledge, Seller has ownership of, or license to use, any patent, copyright, trade secret, trademark, trade name or other proprietary rights (collectively, "Intellectual Property") used or to be used in the Business of Seller as presently conducted or contemplated. Seller's rights in all of such Intellectual Property are freely transferable. To Seller's knowledge, Seller has the right to use, free and clear of all claims or rights of other persons, all customer lists, lists of prospective customers, customer files and records, computer software, systems, data compilations, research results and other information required for or incident to its products or its Business as presently conducted or contemplated.

(b) To Seller's knowledge, the present and contemplated business, activities and products of Seller do not infringe any Intellectual Property of any other person. No proceeding charging Seller with infringement of any adversely held Intellectual Property has been filed or, to the best knowledge of Seller and the Shareholder, is threatened to be filed. Seller is not making unauthorized use of any confidential information or trade secrets of any person, including without limitation, any former employer of any past or present employee of Seller. To Seller's knowledge, none of Seller's employees have any agreements or arrangements with any persons other than Seller related to confidential information or trade secrets of such persons or restricting any such employee's ability to engage in business activities of any nature. The activities of their employees on behalf of Seller do not violate any such agreements or arrangements known to Seller or the Shareholder.

3.8 Financial Statements; Absence of Certain Changes. Seller has delivered to Buyer, or will deliver to the Buyer on or before the Closing Date, the following financial statements, copies of which are attached hereto as Schedule 3.8 (the "Financial Statements"):

- (i) Financial statements of Seller for the twelve months ended

December 31, 2012, and

(ii) Financial statements for year to date for the period ending the month immediately preceding the Closing Date.

Said financial statements have been prepared, are complete and correct in all material respects, and present fairly the financial condition of Seller at the dates of said statements and the results of its operations and its cash flows for the periods covered thereby.

Since December 31, 2012, (a) there has been no change in the assets, liabilities or financial condition of the assets of the Seller from that reflected in the Financial Statements except for changes in the ordinary course of business consistent with past practice and which have not had a Material Adverse Effect and (b) to the Seller's knowledge, none of the business, prospects, financial condition, operations, property or affairs of the Seller has been materially adversely affected by any occurrence or development, individually or in the aggregate, whether or not insured against.

(b) Except as set forth on Schedule 3.8, as of the Closing, Seller has no known liabilities of any nature, whether accrued, absolute, contingent or otherwise, asserted or unasserted, (including without limitation liabilities as guarantor or otherwise with respect to obligations of others, or liabilities for taxes due or then accrued or to become due or contingent or potential liabilities relating to activities of Seller or the conduct of its business prior to the Closing regardless of whether claims in respect thereof had been asserted as of such date).

3.9 Taxes. All tax returns required to be filed by Seller with respect to the Business and the Purchased Assets have been filed, including but not limited to any sales tax returns, and all taxes shown to be due on such tax returns have been paid in full. No notice of deficiency or assessment has been received from any taxing authority with respect to liabilities for taxes of Seller with respect to the Business or the Purchased Assets or of the Shareholder, which have not been fully paid or finally settled. There are no outstanding agreements or waivers extending the applicable statutory periods of limitation for taxes of Seller associated with the Purchased Assets or the Business for any period.

3.10 Collectibility of Accounts Receivable. Attached hereto as Schedule 3.10 is a true, correct, and complete listing of all of the accounts receivable of the Business as of the Closing Date (the "Accounts Receivable"), including an aging showing how long the Accounts Receivable have been outstanding. To the best of Seller's and the Shareholder's knowledge, all of the Accounts Receivable of Seller shown or reflected on Schedule 3.10 or existing at the date hereof (less the reserve for bad debts set forth on the financial statements delivered under Section 3.8) are or will be at the Closing valid and enforceable claims, fully collectable and subject to no setoff or counterclaim. Except as set forth on Schedule 3.10, Seller does not have any accounts or loans receivable from any person, firm or corporation which is affiliated with Seller or from any director, officer or employee of Seller, and all accounts and loans receivable from any such person, firm or corporation shall be paid in cash prior to the Closing.

3.11 Accounts Payable. Attached hereto as Schedule 3.11 is a true, correct, and complete listing of all of the accounts payable of the Business as of the Closing Date (the

“Accounts Payable”), including an aging showing when such amounts were due. All such Accounts Payable arose from bona fide transactions in the ordinary course of business. Except as set forth on Schedule 3.11, Seller and the Shareholder are not aware of any circumstance, situation, reason, or other basis that currently exists or is likely to arise which would or might reasonably result in any vendor or supplier failing or refusing to provide to Buyer the equipment, materials, or other supplies of the type and quantity provided by such vendor or supplier during the one (1) year period preceding the Closing Date, or to otherwise conduct business with Buyer after the Closing Date.

3.12 Contracts. Except as disclosed on Schedule 3.12 (true and complete copies of which have been delivered to Buyer), Seller is not a party to or subject to:

- (a) any other contracts or agreements creating any obligations of Seller of \$2,500 or more with respect to any such contract or agreement not specifically disclosed elsewhere under this Agreement;
- (b) any contract or agreement which by its terms does not terminate at the Closing or is not terminable without penalty by Seller or any successor or assign after the Closing;
- (c) any contract or agreement for the sale or lease of its products or services not made in the ordinary course of business;
- (d) any contract containing covenants limiting the freedom of Seller to compete in any line of business or with any person or entity;
- (e) any license agreement (as licensor or licensee) except for off the shelf software used in connection with the Business;
- (f) any indenture, mortgage, promissory note, loan agreement, guaranty or other agreement or commitment for the borrowing of money;
- (g) any contract or agreement with any officer, employee, director or stockholder of Seller or with any persons or organizations controlled by or affiliated with any of them; or
- (h) any employment contract or contract for services which is not terminable within 30 days by Seller without liability for any penalty or severance payment.

Seller is not in default under any such contracts, commitments, plans, agreements or licenses described in said Schedule including, without limitation, any record retention requirements, and neither Seller nor either Shareholder has any knowledge of conditions or facts which with notice or passage of time, or both, would constitute a default.

3.13 Litigation. Except as set forth on Schedule 3.13, there is no currently pending or, to the knowledge of Seller or either Shareholder, threatened litigation and governmental or administrative proceedings or investigations to which Seller or any Shareholder is a party. There is no litigation or governmental or administrative proceeding or investigation pending or, to the

knowledge of Seller or Shareholder, threatened (including but not limited to any proceeding before the NHPUC) against Seller or to which Seller is a party (either as a named party or intervenor), any affiliate of Seller or any subsidiary of any affiliate of Seller which may have any adverse effect on Seller's properties, assets, prospects, financial condition or business or which would prevent or hinder the consummation of the transactions contemplated by this Agreement. To the knowledge of Seller or either Shareholder, there is no information, investigation, proceeding, accusation or inquiry relating to Seller or either Shareholder which may give rise to any claim which may have an adverse effect on the Purchased Assets. There are no existing claims under any errors and omissions insurance policy or policies naming the Seller or any Shareholder as an insured.

3.14 Compliance with Laws. To Seller's knowledge, Seller is in compliance with all applicable statutes, ordinances, orders, judgments, decrees and rules and regulations promulgated by any federal, state, municipal or other governmental authority which apply to Seller or to the conduct of its business, including, without limitations, environmental laws, anti-money laundering and privacy laws and regulations and any record retention requirement, and Seller has not received notice of a violation or alleged violation of any such statute, ordinance, order, rule or regulation.

3.15 Finder's Fee. Neither Seller nor either Shareholder has incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other similar payments in connection with the sale of Seller's Business or the Purchased Assets or in connection with the transactions contemplated by this Agreement.

3.16 Employee Matters; Independent Contractors. Schedule 3.16(a) lists all employee benefit plans which are or have been maintained or contributed to by Seller or to which Seller has been obligated to contribute. None of the employee benefit plans of the Seller will be assumed by the Buyer and Seller shall remain responsible for any and all liabilities thereunder.

(b) Schedule 3.16(b) sets forth an accurate and complete list of all current employees of Seller as of the date hereof and their hourly rates of compensation or base salaries (as applicable). Seller has complied in all material respects with all laws, rules, regulations, ordinances, orders, judgments and decrees relating to the hiring of employees and the employment of labor, including provisions thereof relating to wages, hours, equal opportunity, collective bargaining and the withholding and payment of social security and other taxes.

(c) Schedule 3.16(c) sets forth an accurate and complete list of all current independent contractors of Seller as of the date hereof and their rates of compensation.

(d) Seller is not delinquent in payments to any of its employees or independent contractors for any wages, salaries, commissions, bonuses or other direct compensation for any services performed by them to date or amounts required to be reimbursed to such employees or independent contractors and, upon termination of the employment or engagement of any such employees or independent contractors, neither Buyer nor Seller will by reason of anything done prior to the Closing be liable to any of such employees for severance pay or any other payments; there is no unfair labor practice complaint against Seller pending before the National Labor Relations Board or any other governmental authority.

3.17 Permits; Burdensome Agreements. To Seller's knowledge, Seller has obtained all permits, registrations, licenses, franchises, certifications and other approvals (collectively, the "Approvals") required from federal, state or local authorities in order for Seller to conduct its business, which Approvals are set forth on Schedule 3.17. To Seller's knowledge, all such Approvals are valid and in full force and effect, and Seller is operating in compliance therewith. Seller has not received any notice of a violation or alleged violation of any such Approval. Such Approvals include, but are not limited to, those required under federal, state or local statutes, ordinances, orders, requirements, rules, regulations, or laws pertaining to environmental protection, public health and safety, worker health and safety, buildings, highways or zoning. Other than the agreements disclosed by Seller in any schedule or exhibit hereto, Seller is not subject to or bound by any agreement, judgment, decree or order which would have a Materially Adverse Effect.

3.18 Environmental Matters. The Company is in compliance with Environmental Laws (which compliance includes, but is not limited to, the possession by the Company of all permits and other governmental authorizations required under applicable Environmental Laws, and compliance with the terms and conditions thereof). The Company has not received any written notice, report or other information regarding any actual or alleged material violation of Environmental Laws, or any material liabilities or potential material liabilities (whether accrued, absolute, contingent, unliquidated or otherwise), including any investigatory, remedial or corrective obligations, relating to the Company, the Business or any of the Company's facilities arising under Environmental Laws. There is no Environmental Claim pending or, to the knowledge of the Company, threatened against the Company. There are no past or present actions, activities, circumstances, conditions, events or incidents which reasonably would be expected to form the basis of an Environmental Claim against the Company. "Environmental Claim" means any action, investigation or notice by any person alleging potential liability (including potential liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, or penalties) arising out of, based on or resulting from (i) the presence, release or threatened release of any hazardous materials at any location, whether or not owned or operated by the Company, or (ii) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law. "Environmental Laws" means all applicable federal, state and local statutes or laws, judgments, orders, regulations, licenses, permits, rules and ordinances relating to pollution or protection of health, safety or the environment, including, but not limited to the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), Resources Conservation and Recovery Act (42 U.S.C. §6901 et. seq.), Safe Drinking Water Act (42 U.S.C. §3000(f) et. seq.), Toxic Substances Control Act (15 U.S.C. §2601 et seq.), Clean Air Act (42 U.S.C. §7401 et. seq.), Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 et seq.), and other similar state and local statutes.

3.19 Disclosure. The representations, warranties and statements contained in this Agreement and in the certificates, exhibits and schedules delivered by Seller and the Shareholder pursuant to this Agreement to Buyer do not contain any untrue statement of a material fact, and, when taken together, do not omit to state a material fact required to be stated therein or necessary in order to make such representations, warranties or statements not misleading in light of the circumstances under which they were made. To Seller's knowledge, there are no facts which presently or may in the future have a Material Adverse Effect on the business, properties,

prospects, operations or condition of Seller, Seller's Business being sold to Buyer, or the Purchased Assets, which have not been specifically disclosed herein or in a Schedule furnished herewith, other than general economic conditions affecting Seller's industry.

3.20 Transactions with Interested Persons. Except as set forth in Schedule 3.20, Seller is not a party to or subject to any loans, leases, or other agreements or transactions with any present or former stockholder, director, officer, affiliated entity or person, or employee of the Seller or, to the Seller's knowledge, any of their respective spouses or family members other than as has been disclosed and filed with the NHPUC pursuant to New Hampshire RSA 366. Neither Seller, Shareholder, nor any officer, supervisory employee or director of Seller or, to the knowledge of Seller and the Shareholder, any of their respective spouses or family members owns directly or indirectly on an individual or joint basis any material interest in, or serves as an officer or director or in another similar capacity of, any competitor, supplier or key customer of Seller, or any organization which has a material contract or arrangement with Seller.

3.21 Insurance. All of Sellers' tangible assets are insured with respect to loss due to fire and other risks in accordance with good industry practice and in amounts and with types of coverage adequate to insure fully against risks to which Seller and its assets are normally exposed in the operation of the Business. Neither Seller, the Shareholder, nor any officer, supervisory employee or director of Seller has received notice that any insurer under any policy referred to in this Section is denying liability with respect to a claim thereunder or defending under a reservation of rights clause.

#### **SECTION 4. COVENANTS OF SELLER AND THE SHAREHOLDER**

4.1 Making of Covenants and Agreements. Seller and the Shareholder hereby make the respective covenants and agreements set forth in this Section 4.

4.2 Consummation of Agreement. Seller and the Shareholder shall use their best efforts to perform and fulfill all conditions and obligations on their parts to be performed and fulfilled under this Agreement, to the end that the transactions contemplated by this Agreement shall be fully carried out. To this end, Seller will obtain prior to the Closing all necessary authorizations or approvals of its Shareholder and Board of Directors.

4.3 Cooperation of Seller. Seller and the Shareholder shall cooperate with all reasonable requests of Buyer and Buyer's counsel in connection with the consummation of the transactions contemplated hereby.

4.4 Non-Competition. Seller and Shareholder shall enter into the Non-Competition Agreement.

4.5 NHPUC Petition. Promptly after execution of this Agreement by the parties, the Buyer shall prepare, the Seller shall sign, and the Buyer will file with the NHPUC a petition for approval of the proposed transfer of Purchased Assets contemplated by this Agreement. The Buyer shall prosecute such petition, and the Seller and the Shareholder will cooperate and fully participate in the proceeding relating to such petition. The Buyer shall pay all costs and expenses of said petition and prosecution, except for (i) Seller's and Shareholder's attorneys' fees, and (ii)

Seller's or Shareholder's costs or fees associated with providing testimony or responding to data requests.

4.6 Taxes and Tax Returns. Seller, in accordance with applicable law, shall (i) promptly prepare and file on or before the due date or any extension thereof all federal, state and local tax returns required to be filed by it with respect to taxable periods of Seller that include any period ending on or before the Closing or including any income or gain relating to the sale of the Purchased Assets (including any reported under the installment method), and (ii) pay all taxes of Seller attributable to periods ending on or before the Closing or relating to the sale of the Purchased Assets (including any reported under the installment method).

4.7 Retention of Employees and Independent Contractors. Effective as of the Closing Date, Seller shall terminate the employment of each of its employees and Buyer will not assume or be responsible for any compensation or benefits owed by Seller to its employees. Seller will assist the Buyer in encouraging key employees and independent contractors of the Seller to become employees or independent contractors of the Buyer.

## **SECTION 5. REPRESENTATIONS AND WARRANTIES OF BUYER**

5.1 Making of Representations and Warranties. As a material inducement to Seller and the Shareholder to enter into this Agreement and consummate the transactions contemplated hereby, Buyer hereby makes the representations and warranties to Seller and the Shareholder contained in this Section 5.

5.2 Organization of Buyer and Parent. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of New Hampshire with full corporate power to own or lease its properties and to conduct its business in the manner and in the places where such properties are owned or leased or such business is conducted by it. One Hundred Percent (100%) of the equity interests in the Buyer are owned by the Parent. Parent is a corporation duly organized, validly existing and in good standing under the laws of the State of Connecticut with full corporate power to own or lease its properties and to conduct its business in the manner and in the places where such properties are owned or leased or such business is conducted by it.

5.3 Authority of Buyer. Buyer has full right, authority and power to enter into this Agreement, and each agreement, document and instrument to be executed and delivered by Buyer pursuant to this Agreement and to carry out the transactions contemplated hereby. This Agreement and each other agreement, document and instrument executed and delivered by Buyer pursuant to this Agreement constitute, or when executed and delivered will constitute, valid and binding obligations of Buyer enforceable in accordance with their terms.

5.4 Litigation. There is no litigation or governmental or administrative proceeding or investigation pending or, to its knowledge, threatened against Buyer or Parent, which would prevent or hinder the consummation of the transactions contemplated by this Agreement.

**SECTION 6. SURVIVAL; INDEMNIFICATION**

6.1 Survival of Representations, Warranties, Etc. All representations and warranties herein or in any exhibit, schedule or certificate delivered by any party incident to the transactions contemplated hereby (except deeds) shall survive the Closing for a period of three (3) years, provided however that (a) the representations and warranties set forth in Sections 3.2 (Corporate Organization and Qualifications of the Seller), 3.4 (Authority of Seller and the Shareholder), 3.6 (Real and Personal Property), 3.20 (Transactions with Interested Persons), 5.2 (Organization of Buyer and Parent), and 5.3 (Authority of Buyer) shall survive the Closing indefinitely; (b) the representations and warranties set forth in Section 3.9 (Taxes) shall survive until the expiration of the applicable statute of limitations; and (c) the three (3) year time limit shall not apply to any breach of representations or warranties arising out of the fraudulent statements or intentional omissions of the Seller, the Shareholder, or the Buyer. Warranties in deeds shall continue as provided by law.

6.2 Indemnification by the Seller and Shareholder. The Seller and the Shareholder will jointly and severally indemnify, defend and hold harmless the Buyer from and against any and all claims, demands or suits, losses, liabilities, damages (including consequential or special damages), obligations, payments, costs and expenses (including, without limitation, the costs and expenses of any and all actions, suits, proceedings, assessments, judgments, settlements and compromises relating thereto and reasonable attorneys' fees and reasonable disbursements in connection therewith) asserted against or suffered by the Buyer relating to, resulting from or arising out of the following:

- (a) the operation of the Business before the Closing Date;
- (b) any breach by the Seller or any Shareholder, of any covenant, representation, warranty, or agreement of the Seller, or the Shareholder, contained in this Agreement;
- (c) any and all liabilities and obligations of, or claims against, the Seller or the Shareholder not expressly assumed by Buyer under this Agreement; or
- (d) any and all claims brought by reason of the Pledge.

6.3 Indemnification by the Buyer. The Buyer will indemnify, defend and hold harmless the Company and the Shareholder, from and against any and all claims, demands or suits, losses, liabilities, damages (including consequential or special damages), obligations, payments, costs and expenses (including, without limitation, the costs and expenses of any and all actions, suits, proceedings, assessments, judgments, settlements and compromises relating thereto and reasonable attorneys' fees and reasonable disbursements in connection therewith) asserted against or suffered by the Company or the Shareholder, relating to, resulting from or arising out of the following:

- (a) the operation of the Business after the Closing Date; and

(b) any breach by the Buyer of any covenant, representation, warranty, or agreement of the Buyer contained in this Agreement.

(c) The expiration, termination or extinguishment of any covenant, representation, warranty, or agreement shall not affect the parties' obligations under this Section 6 if the party to be indemnified provided the party required to provide indemnification under this Agreement with proper notice of the claim or event for which indemnification is sought prior to such expiration, termination or extinguishment.

6.4 Indemnification Procedures. The procedure set forth below shall be followed with respect to every claim for indemnification.

(a) Notice. The party seeking indemnification (the "Indemnified Party") shall give to the party from whom indemnification is sought (the "Indemnifying Party") written notice of any claims for which indemnity is sought under Section 6.2 or 6.3 promptly, but in any event within thirty (30) calendar days after the Indemnified Party receives notice thereof; provided, however, that failure by the Indemnified Party to give such notice shall not relieve the Indemnifying Party from any liability it shall otherwise have pursuant to this Agreement, except to the extent that the Indemnifying Party is actually prejudiced by such failure. Such notice shall set forth in reasonable detail the basis for such potential claims and shall be given in accordance with Section 8.3 below. The indemnification period provided for herein shall be tolled for a particular claim for the period beginning on the date that the Indemnified Party receives written notice of such claims until the final resolution thereof;

(b) Defense and Control of Third Party Claims. The Indemnifying Party shall have the right, at its option, to be represented by counsel of its choice and to assume the defense or otherwise control the handling of any third party claims for which indemnity is sought by notifying the Indemnified Party in writing to such effect within thirty (30) business days of receipt of such notice. If the Indemnifying Party does not give timely notice in accordance with the preceding sentence, the Indemnifying Party shall be deemed to have given notice that it does not wish to control the handling of such third party claims for which indemnity is sought. In the event the Indemnifying Party elects (by written notice within such thirty (30) business-day period) to assume the defense of or otherwise control the handling of any such third party claims for which indemnity is sought, the Indemnifying Party shall indemnify and hold harmless the Indemnified Party from and against all claims suffered therefrom. In the event that the Indemnifying Party does not assume the defense or otherwise control the handling of third party claims for which the Indemnified Party is entitled to indemnification hereunder, the Indemnified Party may retain counsel, as an indemnifiable expense, to defend such third party claims.

(c) Cooperation. The parties shall cooperate in the defense of any third party claims and each shall make available all books and records which are relevant in connection with such third party claims. The Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to any matter which does not include a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all liability with respect thereto, without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld.

(d) Limitation of Liability. The Shareholder's aggregate liability to the Buyer under Section 6.2 shall be limited to the Purchase Price (the "Indemnification Cap"), provided however, that the Indemnification Cap shall not apply to any indemnification claims under Section 6.2 arising out of any fraudulent statements or intentional misstatements or omissions of the Seller or the Shareholder or any indemnification claims arising out of the gross negligence or willful misconduct of the Seller or the Shareholder, or the Seller's directors, officers, employees, consultants, or agents.

## **SECTION 7. RIGHTS AND OBLIGATIONS SUBSEQUENT TO CLOSING**

7.1 Collection of Assets. Subsequent to the Closing, Buyer shall have the right and authority to collect all receivables and other items transferred and assigned to it by Seller hereunder and to endorse with the name of Seller any checks received on account of such receivables or other items, and Seller agrees that it will promptly transfer or deliver to Buyer from time to time, any cash or other property that Seller may receive with respect to any claims, contracts, licenses, leases, commitments, sales orders, purchase orders, receivables of any character or any other items included in the Purchased Assets.

(b) Seller hereby irrevocably appoints Buyer or any officers of Buyer, each acting singularly, as its attorney-in-fact with full power and authority to endorse and deposit checks and any other assets transferred hereunder and to execute and deliver forms and documents necessary to effect the conveyance and transfer of the Purchased Assets, as fully as Seller could or might do if present.

7.2 Payment of Obligations. Seller shall pay all of its liabilities in the ordinary course of business as they become due.

7.3 Proration of Expenses. All expenses relating to the Purchased Assets attributable to the period prior to the Closing Date shall be borne by Seller and all such expenses attributable to the period on or after the Closing Date shall be borne by Buyer. Each of Seller and the Shareholder (on the one hand) and Buyer (on the other hand) shall cooperate with the other party to effect the proration of expenses set forth in the preceding sentence and shall promptly reimburse the other party for any expenses of such first party that have been paid by such other party.

## **SECTION 8. GENERAL PROVISIONS**

8.1 Expenses. Unless otherwise expressly provided in this Agreement, whether or not this Agreement and the transactions contemplated hereby are consummated, Buyer, Seller and the Shareholder will each pay their respective expenses in connection with this Agreement and the transactions contemplated hereby.

8.2 Termination of Agreement. This Agreement may be terminated:

(a) By Buyer upon the material breach by the Seller or Shareholder of any representation, warranty, covenant, agreement, undertaking, or restriction contained in this

Agreement, which has not been cured by the earlier of (i) ten (10) days after the giving of notice by Buyer to the Seller or Shareholder of such breach, or (ii) the Closing Date; or

(b) By the Seller or Shareholder upon the material breach by Buyer of any representation, warranty, covenant, agreement, undertaking, or restriction contained in this Agreement, which has not been cured by the earlier of (i) ten (10) days after the giving of notice by Seller or Shareholder to Buyer of such breach, or (ii) the Closing Date;

(c) By Buyer, upon the failure of the Seller or Shareholder to satisfy any of the conditions required to be satisfied by the Seller or Shareholder pursuant to this Agreement;

(d) By the Seller or Shareholder, upon the failure of the Buyer to satisfy any of the conditions required to be satisfied by Buyer pursuant to this Agreement; or

(e) By mutual agreement of the parties in writing.

8.3 Governing Law. This Agreement shall be construed under and governed by the internal laws of the State of New Hampshire without regard to its conflict of laws provisions.

8.4 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, telecopied (with confirmation), or delivered by an express courier (with confirmation) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Buyer, to:

Donald J.E. Vaughan, President  
Abenaki Water Co., Inc.  
37 Northwest Drive  
Plainville, CT 06062

with a copy to:

Steven V. Camerino, Esquire  
McLane, Graf, Raulerson & Middleton,  
Professional Association  
11 South Main Street, Suite 500  
Concord, NH 03301

(b) if to Seller or the Shareholder, to:

Lakeland Management Company, Inc.  
24 Tate Road  
Gilford, NH 03249

with a copy to:

Robert Dietz, Esquire

Normandin, Cheney & O'Neil, PLLC  
213 Union Avenue  
Post Office Box 575  
Laconia, NH 03247

8.5 Entire Agreement. This Agreement, including the schedules and exhibits referred to herein and the other writings specifically identified herein or contemplated hereby, is complete, reflects the entire agreement of the parties with respect to its subject matter, and supersedes all previous written or oral negotiations, commitments and writings. No promises, representations, understandings, warranties and agreements have been made by any of the parties hereto except as referred to herein or in such schedules and exhibits or in such other writings; and all inducements to the making of this Agreement relied upon by either party hereto have been expressed herein or in such schedules or exhibits or in such other writings.

8.6 Assignability; Binding Effect. This Agreement shall only be assignable by Buyer to a corporation or other entity controlled by or under common control with Buyer upon written notice to Seller and the Shareholder, and such assignment shall not relieve Buyer of any liability hereunder. This Agreement may not be assigned by Seller or the Shareholder without the prior written consent of Buyer. This Agreement shall be binding upon and enforceable by, and shall inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

8.7 Publicity. Except as otherwise required by law, so long as this Agreement is in effect, neither Seller nor the Shareholder shall, or shall permit any of its subsidiaries, affiliates or subsidiaries of its affiliates to, issue or cause the publication of any press release or other public announcement with respect to, or otherwise make any public statement concerning, the transactions contemplated by this Agreement without the consent of the Buyer, which consent shall not be unreasonably withheld.

8.8 Captions and Gender. The captions in this Agreement are for convenience only and shall not affect the construction or interpretation of any term or provision hereof. The use in this Agreement of the masculine pronoun in reference to a party hereto shall be deemed to include the feminine or neuter, as the context may require.

8.9 Execution in Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

8.10 Amendments. This Agreement may not be amended or modified, nor may compliance with any condition or covenant set forth herein be waived, except by a writing duly and validly executed by each party hereto, or in the case of a waiver, the party waiving compliance.

8.11 Consent to Jurisdiction. Solely for the purpose of allowing a party to enforce its indemnification and other rights hereunder, each of the parties hereby consents to personal jurisdiction, service of process and venue in the federal or state courts of New Hampshire.

[Signature page follows.]

**IN WITNESS WHEREOF**, Parent, Buyer, Seller and the Shareholder have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

*BUYER:*  
**ABENAKI WATER CO., INC.**

By: \_\_\_\_\_  
Donald J.E. Vaughan, President

*SELLER:*  
**LAKELAND MANAGEMENT COMPANY, INC.**

By: Theresa Crawshaw  
Theresa Crawshaw, President

*SHAREHOLDER:*

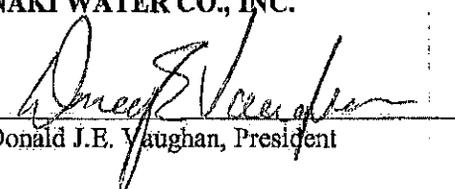
Theresa Crawshaw  
Name: Theresa Crawshaw

*PARENT:*  
**NEW ENGLAND SERVICE COMPANY**

By: \_\_\_\_\_  
Donald J.E. Vaughan, President

**IN WITNESS WHEREOF**, Parent, Buyer, Seller and the Shareholder have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

**BUYER:**  
**ABENAKI WATER CO., INC.**

By:   
Donald J.E. Vaughan, President

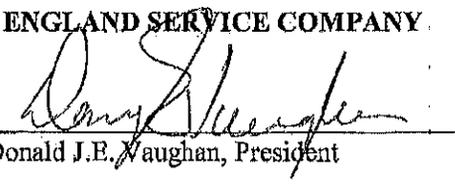
**SELLER:**  
**LAKELAND MANAGEMENT COMPANY, INC.**

By: \_\_\_\_\_  
Theresa Crawshaw, President

**SHAREHOLDER:**

\_\_\_\_\_  
Name: Theresa Crawshaw

**PARENT:**  
**NEW ENGLAND SERVICE COMPANY**

By:   
Donald J.E. Vaughan, President

## LIST OF SCHEDULES AND EXHIBITS

### Schedules

|         |  |
|---------|--|
| 1.1     | Purchased Assets   |
| 1.1(b)  | Seller's Real and Personal Property, Plant, and Equipment          |
| 1.1(c)  | Seller's Office Supplies, Furniture, and Office Equipment          |
| 1.1(d)  | Assumed Contracts  |
| 1.1(f)  | CIAC (contributions in aid of construction)                        |
| 1.1(g)  | CWIP (construction work in process)                                |
| 1.1(h)  | Inventory  |
| 1.1(k)  | Transferable Licenses and Permits                                  |
| 1.2(b)  | Accounts Receivable (to be provided as of the Closing Date)        |
| 1.2(d)  | Excluded Assets  |
| 1.4(a)  | Recovery Rate Case Expense (to be provided as of the Closing Date) |
| 1.7     | Purchase Price Allocation  |
| 3.5     | Consents and Approvals   |
| 3.6(b)  | Seller's Personal Property   |
| 3.8     | Financial Statements   |
| 3.10    | Accounts Receivable  |
| 3.11    | Accounts Payable (to be provided as of the Closing Date)           |
| 3.12    | Contracts  |
| 3.13    | Litigation   |
| 3.16(a) | Employee Benefits Programs   |
| 3.16(b) | Employees  |
| 3.16(c) | Independent Representatives/Consultants                            |
| 3.17    | Approvals  |
| 3.20    | Transactions with Interested Persons                               |

### Exhibits

|           |   |
|-----------|---|
| Exhibit A | Rate Base Calculation                       |
| Exhibit B | Water Supply and Sewage Disposal Disclosure |
| Exhibit C | Radon Gas and Lead Paint Disclosure         |
| Exhibit D | Form of Non-Competition Agreement           |

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**SCHEDULE 1.1**

Purchased Assets

Goodwill

Assets set forth on Schedules 1.1(b), (c), (d), (f), (g), (h), (k)

**SCHEDULE 1.1(b)**

**Seller's Real and Personal Property, Plant and Equipment**

See attached Book Depreciation listing, which includes, but is not limited to, some equipment which is treated as fixtures and subject to real estate tax.

See attached: Agreement and Confirmatory Sewer Pipe Easement Deed recorded in Book 2486, Page 168 of Belknap Registry of Deeds;

Utility Easement Amendment Agreement for Property located in Belmont, New Hampshire recorded in Book 2510, Page 282 of Belknap Registry;

Protective Well Radius Easement recorded in Book 1320, Page 442 of Belknap Registry;

| Easement recorded in Book 1630, Page 922 of Belknap Registry;

Easement recorded in Book 2406, Page 74 of Belknap Registry;

Easement recorded in Book 1320, Page 440 of Belknap Registry;

Pump House located off Province Road in Belmont, NH.

NOTE: In addition, there is pending an easement for the new tanks off of Plummer Hill Road. The landowner is contractually obligated to provide it, has recently renewed his intention to give it, and is reviewing a draft deed now.

NOTE: See reference in Schedule 3.12 to \$95,000 Promissory Note, and Mortgage and Security Agreement to State of New Hampshire, which grants a lien on real estate and personal property of the Seller.

Lakeland Management Co.  
Book Depreciation

| Account | Description                          | Date       | Method | Life | Rate   | Costs   | AccumDepr | 2011     | 2011        | 12/31/2011 | 2012     | 2012        | 12/31/2012 |
|---------|--------------------------------------|------------|--------|------|--------|---------|-----------|----------|-------------|------------|----------|-------------|------------|
|         |                                      |            |        |      |        |         |           | Depr Exp | Retirements | AccumDepr  | Depr Exp | Retirements | AccumDepr  |
| 303     | Land & Land Rights                   | 11/1/1994  |        |      | 0.00%  | 1,500   | 0         | 0        |             | 0          | -        |             | -          |
| 304     | Structures & Improvements            | 1/1/1987   | SL     | 40   | 2.50%  | 9,200   | 5,405     | 230      |             | 5,635      | 230      |             | 5,865      |
| 304     | Structures & Improvements            | 11/1/1994  | SL     | 40   | 2.50%  | 8,783   | 3,624     | 220      |             | 3,844      | 220      |             | 4,063      |
| 304     | Structures & Improvements            | 12/26/1997 | SL     | 40   | 2.50%  | 881     | 297       | 22       |             | 319        | 22       |             | 341        |
| 304     | 2001 Pump Station Addition           | 5/30/2001  | SL     | 40   | 2.50%  | 6,967   | 1,567     | 174      |             | 1,741      | 174      |             | 1,915      |
| 304     | Omegaphone                           |            |        |      | 2.50%  | 750     | 122       | 19       |             | 141        | 19       |             | 160        |
|         | Total                                |            |        |      |        | 26,581  | 11,015    | 665      |             | 11,680     | 665      | 0           | 12,344     |
| 307     | Well #1                              | 1/1/1987   | SL     | 50   | 2.00%  | 12,000  | 5,640     | 240      |             | 5,880      | 240      |             | 6,120      |
| 307     | Well #2                              | 7/27/1990  | SL     | 50   | 2.00%  | 5,932   | 2,432     | 119      |             | 2,551      | 119      |             | 2,669      |
| 307     | Well #3                              | 12/20/1990 | SL     | 50   | 2.00%  | 4,442   | 1,822     | 89       |             | 1,911      | 89       |             | 2,000      |
| 307     | Well #4                              | 11/1/1994  | SL     | 30   | 3.30%  | 69,699  | 37,951    | 2,300    |             | 40,251     | 2,300    |             | 42,551     |
| 307     | Well #5                              | 6/1/2009   | SL     | 30   | 3.30%  | 104,079 | 7,098     | 3,435    |             | 10,533     | 3,435    |             | 13,967     |
|         | Total                                |            |        |      |        | 196,152 | 54,943    | 6,182    |             | 61,125     | 6,182    |             | 67,307     |
| 311     | Pumps                                | 1/1/1987   | SL     | 10   | 0.00%  | 11,600  | 11,600    | 0        |             | 11,600     | -        |             | 11,600     |
| 311     | 2003 Retirements                     | 12/31/2003 | SL     | 10   |        | (1,160) | (1,160)   |          |             | (1,160)    | -        |             | (1,160)    |
| 311     | Pump                                 | 3/24/1990  | SL     | 10   | 0.00%  | 1,861   | 1,861     | 0        |             | 1,861      | -        |             | 1,861      |
| 311     | Pump                                 | 8/16/1990  | SL     | 10   | 0.00%  | 3,817   | 3,817     | 0        |             | 3,817      | -        |             | 3,817      |
| 311     | Pump                                 | 12/19/1990 | SL     | 10   | 0.00%  | 5,050   | 5,050     | 0        |             | 5,050      | -        |             | 5,050      |
| 311     | Water Pumping Equipment              | 10/30/1992 | SL     | 10   | 0.00%  | 14,345  | 14,346    | 0        |             | 14,346     | -        |             | 14,346     |
| 311     | Water Pumping Equipment              | 5/7/1993   | SL     | 10   | 0.00%  | 620     | 620       | 0        |             | 620        | -        |             | 620        |
| 311     | Pump - Rte. 107                      | 11/1/1994  | SL     | 10   | 0.00%  | 8,359   | 5,017     | 0        |             | 5,017      | -        |             | 5,017      |
| 311     | Retire Pumps - Rte. 107              | 10/9/2000  |        |      | 0.00%  | (8,359) | (8,359)   | 0        |             | (8,359)    | -        |             | (8,359)    |
| 311     | Replace two pump motors              | 10/9/2000  | SL     | 10   | 0.00%  | 3,025   | 3,025     | 0        |             | 3,025      | -        |             | 3,025      |
| 311     | Replace two pumps                    | 10/26/2000 | SL     | 10   | 0.00%  | 2,180   | 0         | 0        |             | 0          | -        |             | -          |
| 311     | Retire two pumps                     | 10/26/2000 | SL     | 10   | 0.00%  | (2,180) | (2,180)   | 0        |             | (2,180)    | -        |             | (2,180)    |
| 311     | Install two pumps incl. Elect.       | 10/26/2000 | SL     | 10   | 0.00%  | 8,885   | 8,885     | 0        |             | 8,885      | -        |             | 8,885      |
| 311     | Booster Pump                         | 4/25/1997  | SL     | 10   | 0.00%  | 901     | 901       | 0        |             | 901        | -        |             | 901        |
| 311     | Booster Pump - Retired               | 2012       | SL     | 10   | 0.00%  | (901)   |           |          |             |            | -        | (901)       | (901)      |
| 311     | Controls ... low flow pump           | 7/26/2002  | SL     | 10   | 10.00% | 830     | 706       | 83       |             | 789        | 42       |             | 831        |
| 311     | Pump, Equip.-Check Valve             | 5/6/2003   | SL     | 10   | 10.00% | 1,025   | 769       | 103      |             | 872        | 103      |             | 974        |
| 311     | Pump, Equip.-Metering Pump           | 12/31/2003 | SL     | 10   | 10.00% | 1,294   | 971       | 129      |             | 1,100      | 129      |             | 1,230      |
| 311     | Pumping Equipment - 2009 Well        | 2009       | SL     | 10   | 10.00% | 32,015  | 0         | 3,901    |             | 3,901      | 3,202    |             | 7,103      |
| 311     | Pump Equip - 2009 Well - Retire moto | 2012       | SL     | 10   | 10.00% | 7,000   |           |          |             |            | 350      |             | 350        |
| 311     | Pump Equip - 2009 Well - Retire moto | 2012       |        |      |        | (7,000) |           |          |             |            |          | (7,000)     | (7,000)    |
| 311     | Pump, Equip. - VFD                   | 7/1/2010   | SL     | 10   | 10.00% | 3,644   | 215       | 364      |             | 579        | 364      |             | 944        |
| 311     | Pump, Equip. - VFD                   | 7/1/2010   | SL     | 10   | 10.00% | 3,643   | 214       | 364      |             | 578        | 364      |             | 943        |
| 311     | Motor: Submersible 10HP 3PH 460V     | 1/10/2012  | SL     | 10   | 10.00% | 8,644   |           |          |             |            | 432      |             | 432        |
| 311     | New Booster Pump                     | 3/9/2012   | SL     | 10   | 10.00% | 1,136   |           |          |             |            | 57       |             | 57         |
|         | Total                                |            |        |      |        | 100,274 | 46,298    | 4,945    |             | 51,243     | 5,043    | (7,901)     | 48,384     |
| 320     | Water Treatment Equipment            | 6/30/2001  | SL     | 28   | 3.60%  | 21,310  | 6,905     | 767      |             | 7,672      | 767      |             | 8,439      |
| 320     | Water Treatment Equipment            |            | SL     | 10   | 10.00% | 853     | 554       | 85       |             | 639        | 85       |             | 725        |
|         | Total                                |            |        |      |        | 22,163  | 7,459     | 852      |             | 8,311      | 852      | 0           | 9,164      |
| 330     | Distr. Reservoirs & Standpipes       | 1/1/1987   | SL     | 50   | 2.00%  | 15,400  | 7,238     | 308      |             | 7,546      | 308      |             | 7,854      |
| 330     | Distr. Reservoirs & Standpipes       | 7/1/2010   | SL     | 45   | 2.20%  | 45,472  | 405       | 1,000    |             | 1,405      | 1,000    |             | 2,406      |
| 330     | Distr. Reservoirs & Standpipes       | 7/1/2010   | SL     | 45   | 2.20%  | 45,471  | 405       | 1,000    |             | 1,405      | 1,000    |             | 2,406      |
|         | Total                                |            |        |      |        | 106,343 | 8,048     | 2,309    |             | 10,357     | 2,309    | 0           | 12,665     |
| 331     | Trans. & Distr. Mains                | 1/1/1987   | SL     | 50   | 2.00%  | 36,800  | 17,296    | 736      |             | 18,032     | 736      |             | 18,768     |
| 331     | Trans. & Distr. Mains                | 9/18/1990  | SL     | 50   | 2.00%  | 3,026   | 1,241     | 61       |             | 1,302      | 61       |             | 1,362      |
| 331     | Composite Water/Sewer Plan           | 5/3/2010   | SL     | 40   | 2.50%  | 1,413   | 18        | 35       |             | 53         | 35       |             | 89         |
|         | Total                                |            |        |      |        | 41,239  | 18,555    | 832      |             | 19,387     | 832      | 0           | 20,219     |
| 333     | Services                             | 1/1/1987   | SL     | 40   | 2.50%  | 15,000  | 8,813     | 375      |             | 9,188      | 375      |             | 9,563      |
| 334     | Customer Water Meters                | 1/1/1989   | SL     | 20   | 0.00%  | 17,292  | 18,589    | 0        |             | 18,589     | -        |             | 18,589     |
| 334     | Meters                               | 4/14/1990  | SL     | 20   | 0.00%  | 2,124   | 2,124     | 0        |             | 2,124      | -        |             | 2,124      |
| 334     | Meters                               | 3/31/1993  | SL     | 20   | 5.00%  | 120     | 105       | 6        |             | 111        | 6        |             | 117        |
| 334     | Meters                               | 2008       | SL     | 20   | 5.00%  | 88      | 9         | 4        |             | 13         | 4        |             | 18         |
| 334     | Meters                               | 2009       | SL     | 20   | 5.00%  | 264     | 20        | 13       |             | 33         | 13       |             | 46         |
| 334     | Meters - Retired                     | 10/19/2010 | SL     | 20   | 0.00%  | (125)   | (125)     | 0        |             | (125)      | -        |             | (125)      |
| 334     | Meter                                | 10/19/2010 | SL     | 20   | 5.00%  | 174     | 4         | 9        |             | 13         | 9        |             | 21         |
|         | Adjustment                           |            |        |      |        | 28      |           |          |             |            | -        |             | -          |
|         | Total                                |            |        |      |        | 19,965  | 20,726    | 32       |             | 20,758     | 32       | 0           | 20,791     |
|         | Total Water Plant                    |            |        |      |        | 529,217 | 175,857   | 16,192   | 0           | 192,049    | 16,290   |             | 200,437    |
| 354     | Wiring from building to controller   | 2/14/2011  | SL     | 40   | 2.50%  | 3,855   | 0         | 73       |             | 73         | 73       |             | 146        |
| 361     | Sewer Mains                          | 1/1/1987   | SL     | 50   | 2.00%  | 100,000 | 47,000    | 2,000    |             | 49,000     | 2,000    |             | 51,000     |
|         | total Sewer Plant                    |            |        |      |        | 103,855 | 47,000    | 2,073    | 0           | 49,073     | 2,073    |             | 51,145     |
|         | Total Plant                          |            |        |      |        | 633,072 | 222,857   | 18,265   | 0           | 241,122    | 18,363   | (7,901)     | 251,583    |
|         | Variances                            |            |        |      |        | (745)   |           |          |             | (745)      |          |             | (745)      |
|         | Total Plant per Books                |            |        |      |        | 222,112 |           | 18,265   | 0           | 240,377    | 18,363   | (7,901)     | 250,838    |

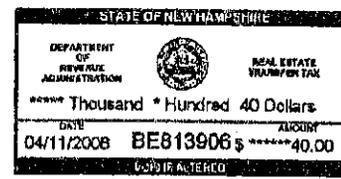
Lakeland Management Co.  
 Book Amortization

| Account | Description                    | Date     | Method | Life | Rate   | Costs  | 12/31/2010 | 2011      | 2011        | 12/31/2011 | 2012     | 2012        | 12/31/2012 |       |
|---------|--------------------------------|----------|--------|------|--------|--------|------------|-----------|-------------|------------|----------|-------------|------------|-------|
|         |                                |          |        |      |        |        | AccumAmort | Amort Exp | Retirements | AccumDepr  | Depr Exp | Retirements | AccumDepr  |       |
| 311     | Pump.Equip. - VFD              | 7/1/2010 | SL     | 10   | 10.00% | 2,972  | 165        | 297       |             | 462        | 297      |             | 759        |       |
| 311     | Pump.Equip - VFD               | 7/1/2010 | SL     | 10   | 10.00% | 2,972  | 165        | 297       |             | 462        | 297      |             | 759        |       |
| 330     | Distr. Reservoirs & Standpipes | 7/1/2010 | SL     | 45   | 2.22%  | 18,554 | 201        | 412       |             | 613        | 412      |             | 1,025      |       |
| 330     | Distr. Reservoirs & Standpipes | 7/1/2010 | SL     | 45   | 2.22%  | 18,554 | 200        | 413       |             | 613        | 412      |             | 1,025      |       |
| Total   |                                |          |        |      |        |        | 43,052     | 731       | 1,419       |            | 2,150    | 1,418       | 0          | 3,568 |

SPSt. Cyr  
 3/27/2013

*Barbara R. Luther*

✓ Upton & Hatfield, LLP  
P.O. Box 1090  
Concord, NH 03302-1090



AGREEMENT AND CONFIRMATORY SEWER PIPE EASEMENT DEED

This agreement made by and among **BRIARCREST ESTATES, L.L.C.** ("Briarcrest"), a New Hampshire limited liability company, of 100 Diamond Place, Laconia, New Hampshire 03246, **LAKELAND MANAGEMENT COMPANY, INC.** ("Lakeland"), a New Hampshire public utility with a principal place of business of 100 Diamond Place, Laconia, New Hampshire 03246, and **MAPLE HILL ACRES LIMITED PARTNERSHIP** ("Maple Hill"), a New Hampshire limited partnership of 247 Commercial Street, Rockport, Maine 04856, concerning sewer easements to property located in Belmont and Laconia, New Hampshire.

Recitals

1. Maple Hill owns land in Belmont, New Hampshire (the "Maple Hill Property") shown on a plan entitled "ALTA/ACSM Plan Boundary Survey Maple Hill Acres Limited Partnership Map 204, Lot 23, Belmont, Belknap County, New Hampshire," recorded or to be recorded in the Belknap County Registry of Deeds, acquired by deed of Mark A. Mooney dated May 24, 2007, recorded at Book 2410, Page 107.

2. Briarcrest owns abutting land in Belmont and Laconia, New Hampshire (the "Briarcrest Property"), a portion of which is shown as "Lot 211-18, Briarcrest Estates" on the Plan (the "Lakeland Property").

3. Mark A. Mooney, as Briarcrest's predecessor to the Briarcrest Property, granted:

A. Easements for the right to construct, maintain, repair, and replace underground utilities, including water and sewer, on the Briarcrest Property, including "the unrestricted right to tie into any utility services which exist or are subsequently constructed upon or within grantor's property," to Lakeland (the "Lakeland Sewer Easement") by easement deed dated December 13, 1994, recorded at Book, 1320, Page 440 (the "Lakeland Sewer Easement Deed"); and

B. Ownership of sewer pipes on the portions of the Briarcrest Property located in Laconia ("Laconia Sewer Pipes") to the City of Laconia, by warranty deed dated March 10, 1989, recorded at Book 1090, Page 46; together with an easement to access to construct, maintain, operate, and repair underground sewer lines, by easement deed dated March 10, 1989, recorded at Book 1090, Page 47.

4. By easement deed of approximately this date, Briarcrest has granted a sewer easement to Maple Hill (the "Maple Hill Sewer Easement") across a portion of the Briarcrest Property located in Belmont to allow the installation, connection and operation of a sewer line servicing the Maple Hill Property running underground to an existing sewer pipe on the Briarcrest Property owned by Lakeland pursuant to the Lakeland Sewer Easement at a manhole shown on the Plan as "Exist Sewer MH" (the "Sewer Connection").

5. Lakeland and Maple Hill have entered a separate agreement under which Maple Hill shall construct sewer pipes in the Maple Hill Sewer Easement, including the connection of those pipes to Lakeland's pipes at the Sewer Connection, which pipes, upon their completion, shall become the property of Lakeland.

6. The sewer pipes connecting the Sewer Connection to the Laconia Sewer Pipes are approximately in the location shown on a plan entitled "Sewer Routing Plan Briarcrest Estates, LLC, Maple Hill Acres Limited Partnership," by Holden Engineering & Surveying, Inc., dated April 7, 2008, recorded in the Belknap County Registry of Deeds at Plan Drawer L63, Plan Number 5657 (the "Sewer Location Plan").

7. The parties intend by this agreement to hereby confirm that Lakeland holds the rights to use, maintain, operate, repair, and replace the sewer pipes located in the Town of Belmont on the Briarcrest Property at the Sewer Connection and running from the Sewer Connection to the Laconia Sewer Pipes located in the City of Laconia on the Briarcrest Property, to the same extent as described in the Lakeland Sewer Easement Deed, that Maple Hill may connect the Maple Hill Sewer Pipes at the Sewer Connection; that the City of Laconia has the right to use, maintain, operate, repair, and replace all other equipment related to the sewer pipes, including sewer pump stations, not owned by Lakeland and located on the Briarcrest Property; and that Maple Hill and Lakeland may transport sewage from the Maple Hill Property through the Lakeland Sewer Pipes from the Sewer Connection to the Laconia Sewer Pipes, and hereby ratify the foregoing rights and easements for the benefit of Maple Hill, its successors and assigns.

NOW, THEREFORE, for consideration paid, the parties agree that:

1. Briarcrest grants to Lakeland, with Warranty Covenants:

A. A perpetual easement to install, maintain, replace, operate, and repair sewer pipes in the Maple Hill Sewer Easement located in the Town of Belmont, to the same extent as held by Maple Hill, in accordance with and subject to the provisions of the Maple Hill Easement Deed, and

B. A perpetual easement to install, maintain, replace, operate, and repair sewer pipes from the Sewer Connection located in the Town of Belmont to the Laconia Sewer Pipes located in the City of Laconia, to the same extent as if expressly granted by the Lakeland Sewer Easement Deed.

2. The parties hereby confirm by this Agreement that:

A. Lakeland has all rights to install, maintain, replace, operate, and repair the sewer pipes, manholes and other sewer equipment located in the Town of Belmont running from the Sewer Connection to the Laconia Sewer Pipes, including the right to transport sewage from the Maple Hill Property from the connection with the Maple Hill Sewer Easement at the Sewer Connection;

B. Lakeland has all rights to install, maintain, replace, operate, and repair the pipes and manhole shown as the Sewer Connection or which otherwise presently exist and are located in the Town of Belmont;

C. Maple Hill and Lakeland have the right to transport sewage from the Maple Hill Property through pipes installed in the Maple Hill Sewer Easement to connect to pipes of Lakeland at the Sewer Connection.

D. The foregoing easements and rights run with the land and are binding upon and benefit the parties hereto, their successors and assigns.

This agreement may be executed in counterparts.

Agreement and Confirmatory Sewer Pipe Easement Deed  
Signature Page

WHEREFORE, the parties have signed this agreement under seal as of  
April 8, 2008.

Briarcrest Estates, L.L.C.

By: Mark A. Mooney  
Mark A. Mooney, a Member

Lakeland Management Company, Inc.

By: Mark A. Mooney  
Mark A. Mooney, a Member

STATE OF NEW HAMPSHIRE  
BELKNAP COUNTY

The foregoing instrument was acknowledged before me this 8 day of  
April, 2008, by Mark A. Mooney, a manager of Briarcrest Estates, L.L.C.

Camille M. Bailey

~~Justice of the Peace~~  
Notary Public

My Commission expires: 9/3/08

STATE OF NEW HAMPSHIRE  
BELKNAP COUNTY



The foregoing instrument was acknowledged before me this 8 day of  
April, 2008, by Mark A. Mooney, as President of Lakeland Management  
Company, Inc.

Camille M. Bailey

~~Justice of the Peace~~  
Notary Public

My Commission expires: 9/3/08



Agreement and Confirmatory Sewer Pipe Easement Deed  
Signature Page

Maple Hill Acres Limited Partnership

BY: JMC Partners LLC, its General Partner

By: William P. Reese, Jr.  
William P. Reese, Jr., Its Manager

STATE OF MAINE  
KNOX COUNTY

The foregoing instrument was acknowledged before me on April 8, 2008, 2008, by William P. Reese, Jr., a manager of JMC Partners, LLC, general partner of Maple Hill Acres Limited Partnership.

Christopher Devlin

~~Justice of the Peace~~  
Notary Public  
My Commission expires:  
January 18, 2009



✓ Upton & Hatfield, LLP  
P.O. Box 1090  
Concord, NH 03302-1090

*Barbara R. Luther*

UTILITY EASEMENT AMENDMENT AGREEMENT

for Property located in Belmont, New Hampshire

This Agreement is made by **Maple Hill Acres Limited Partnership** ("Maple Hill"), a New Hampshire limited partnership having an address of 247 Commercial Street, Rockport, Maine 04856, and **Lakeland Management Company, Inc.** ("Lakeland"), a New Hampshire public utility having a mailing address of P.O. Box 7394, Gilford, New Hampshire 03247, for property in Belmont, New Hampshire, dated as of July 23, 2008.

Recitals

A. Maple Hill is developing property it owns in Belmont, New Hampshire, known as tax Map 204, lot 23, acquired by warranty deed from Mark A. Mooney, dated May 24, 2007, recorded in the Belknap County Registry of Deeds at Book 2410, Page 0107, shown on a plan entitled "Easement Plan Boundary Survey, Realty Resources Chartered, Map 204, Lot 23, Mark A. Mooney", by Holden Engineering & Surveying, Inc., recorded at Plan Drawer L-62, Plan # 74 and 75 (the "Property").

B. Maple Hill has received approvals from the Belmont Planning Board for the construction of an apartment complex on the Property (the "Project"), in accordance with the site plan on file with the Town of Belmont Planning Office, signed by the Planning Board on April 28, 2008 (the "Site Plan"). See Notice of Land Use Decision, dated May 12, 2008, recorded at Book 2495, Page 933. (The improvements to be constructed on the Property shown on the Site Plan are referred to as the "Improvements").

C. Lakeland is a public utility that provides sewer and water utility service; the Property is within its franchise area.

D. The parties have entered into a Utility Construction and Service Agreement dated April 8, 2008, recorded at Book 2486, Page 174, providing for construction and ownership of the sewer and water utility service in the Project (the "Infrastructure").

E. Maple Hill's predecessor in title to the Property, Mark A. Mooney, granted Lakeland the following utility easements affecting the Property:

1. Easement dated December 13, 1994, recorded at Book 1320, Page 440; and
  2. Easement dated May 9, 2007, recorded at Book 2406, Page 74
- (collectively, the "Utility Easements").

F. The Utility Easements grant Lakeland certain access rights to construct, maintain, repair, and replace underground utility lines and structures on the Property, including the right to tie into utility services on the Property, without restriction as to location of the easement rights (the "Access Rights")

G. The Utility Easements also grant Lakeland rights to drill, maintain, and operate existing water wells and new water wells on the property ("Well Drilling

Rights”) and create for each well a protective well radius of two hundred feet around each well, with certain restrictions on use within that radius. (the “Protective Well Radius Restrictions”).

H. The parties wish to confirm that Lakeland may not exercise the Access Rights in a manner that will interfere with the Improvements and that construction and use of the Improvements constructed in accordance with the Site Plan will not violate the Protective Well Radius Restrictions.

NOW, THEREFORE, for consideration paid, the parties agree that:

1. Enforceability. The Utility Easements are enforceable as written and as amended by this agreement.
2. Access Rights. Except for sewer and water utilities servicing the Improvements constructed in accordance with the Utility Construction Agreement and as shown on the Site Plan, Lakeland may not exercise the Access Rights if such exercise would require the removal of any of the Improvements or unrepaired damage or loss to the Improvements.
3. Protective Well Radius. Lakeland agrees and confirms that the Improvements that are constructed in accordance with the Site Plan will not violate the Protective Well Radius Restrictions. Upon completion of the Improvements in accordance with the Site Plan, and upon Maple Hill’s request, Lakeland shall provide a statement in a form appropriate for recording that the Improvements as constructed do not violate the conditions of the Utility Easements.

4. Effect of Agreement. This agreement amends the Utility Easements, and shall be binding on and for the benefit of Maple Hill and its successors and assigns, and Lakeland and its successors and assigns, and shall run with the Property.

5. Execution. This agreement may be executed in counterparts.

[Signature pages follow]

Easement Amendment Agreement

Signature Page

Lakeland Management Company, Inc.

By: Wade R. Crawshaw  
Wade R. Crawshaw, its President

STATE OF NEW HAMPSHIRE  
BELKNAP COUNTY

The foregoing instrument was acknowledged before me this 23<sup>rd</sup> day of July, 2008, by Wade R. Crawshaw, as President of Lakeland Management Company, Inc.

Ruth P. Moody  
Justice of the Peace/  
Notary Public  
My Commission expires: 10/21/10



Easement Amendment Agreement

Signature Page

Maple Hill Acres Limited Partnership

By: JMC Partners, LLC, its General Partner

By: [Signature]  
General Partner Manager

STATE OF Maine  
Cumberland COUNTY

The foregoing instrument was acknowledged before me, on July 23, 2008, by Joseph Cloutier a General Partner of JMC Partners LLC, general partner of Maple Hill Acres Limited Partnership.

[Signature]  
~~Justice of the Peace/~~  
Notary Public  
My Commission expires:

TERRANCE B. TURNER  
NOTARY PUBLIC  
MY COMMISSION EXPIRES APRIL 2, 2013

PROTECTIVE WELL RADIUS EASEMENT

414020

LEANDER CONSTANT and RUTH CONSTANT, husband and wife, both of 670 Route 107, Belmont, Belknap County, New Hampshire, 03220, for consideration paid, grant to LAKELAND MANAGEMENT COMPANY, INC., a New Hampshire corporation and public utility, with a principal place of business on Route 107, Belmont, Belknap County, New Hampshire, and a mailing address of 408 South Road, Belmont, New Hampshire, 03220, with WARRANTY COVENANTS:

A permanent right and easement to maintain a protective well radius over a portion of the Grantor's property and located on Route 107, Belmont, Belknap County, New Hampshire, shown as Tax Map 13-23-1 on a certain Plan entitled, "Site Plan, Lakeland Management Company, A Public Utility, Belmont, Belknap County, New Hampshire, for Mark Mooney" (the "Plan"), by Steven J. Smith & Associates, Inc., dated December 8, 1994, to be recorded in the Belknap County Registry of Deeds.

This Easement is given for the benefit of a well owned by the Grantee and located on property of Mark A. Mooney, as shown on the Plan, and shall include all of Grantor's property located within 200 feet of said well.

This Easement is granted in accordance with the provisions of NH RSA 485-A:30 (b) and regulations of the Water Supply & Pollution Control Division of the Department of Environmental Services at ENV-WS 372.13. As such, the property that is subject to this Well Radius Easement may not be developed by the Grantors or their successors or assigns in a manner inconsistent with the provisions of that Statute or Regulation or any successor regulations adopted pursuant thereto. Actions which are prohibited on the encumbered land shall include, but shall not be limited to the following:

1. The construction of any permanent buildings.
2. The construction of any wastewater disposal system, including septic tanks or leach fields.
3. Soil fertilization.
4. Storage of any oil, gasoline or other hazardous chemical.
5. Any other hazardous use as determined by the Water Supply and Pollution Control Division of the Department of Environmental Services.

BK1320 PG0442

The Easement granted herein shall run with the encumbered land and shall be binding upon the Grantors' successors and assigns. The benefits of the Easement granted herein shall enure to the benefit of the Grantee, and its successors and assigns.

Meaning and intending to describe and convey a Protective Well Radius Easement, as defined in RSA 485-A:30(b) and ENV-WS 372.13, over a portion of the property conveyed to the Grantors herein by Warranty Deed of Helen F. Glynes, dated July 21, 1982, recorded in Book 826, Page 704, Belknap County Registry of Deeds.

The consideration for the grant of this Easement is such that only the minimum transfer tax shall apply.

This Easement is signed this 13<sup>th</sup> day of December, 1994.

Leander Constant  
Leander Constant

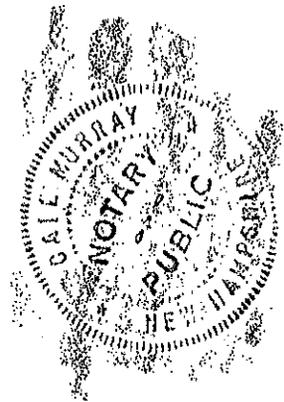
Ruth Constant  
Ruth Constant

STATE OF NEW HAMPSHIRE  
COUNTY OF BELKNAP

On this the 13 day of December, 1994, before me, the undersigned officer, personally appeared Leander Constant and Ruth Constant, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand.

Gail Murray  
Justice of the Peace/Notary Public  
My Commission Expires: 5/26/98

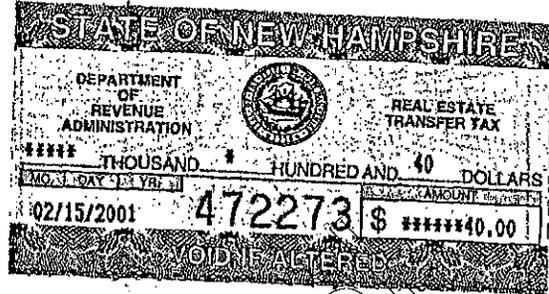


BK1320 PG0443

RECEIVED  
Rachel M. Normandin  
94 DEC 14 PM 12:37  
REGISTRY OF DEEDS  
BELKNAP COUNTY  
Registrar

|                                      |               |                          |
|--------------------------------------|---------------|--------------------------|
| STATE OF NEW HAMPSHIRE               |               |                          |
| DEPARTMENT OF REVENUE ADMINISTRATION |               | REAL ESTATE TRANSFER TAX |
| #### THOUSAND                        | # HUNDRED AND | 40 DOLLARS               |
| 12/14/1994                           | 162732        | \$ *****40.00            |
| VOID IF ALTERED                      |               |                          |

101966



**EASEMENT**

I, **MARK A. MOONEY**, of South Road, Belmont, Belknap County, New Hampshire, 03220, for consideration paid, grant to **LAKELAND MANAGEMENT COMPANY, INC.**, a New Hampshire corporation a public utility with a principal place of business on Route 107, Belmont, Belknap County, New Hampshire, and a mailing address of 408 South Road, Belmont, New Hampshire, 03220, with **WARRANTY COVENANTS**:

A permanent easement and license, in gross, over certain tracts or parcels of land situate off Old Prescott Hill Road, in the Town of Belmont, County of Belknap, State of New Hampshire, as shown on Plan entitled "Boundary Line Adjustment for Mark A. Mooney N.H. Route 106, Plummer Hill Road Belmont, Belknap County, New Hampshire" dated November 19, 1998, revised through December 17, 1998, by Harold E. Johnson, Inc., Licensed Land Surveyors, recorded in Drawer L 31, Plan #59, Belknap County Registry of Deeds.

This Easement includes the grant of the right to construct, maintain, repair and replace underground utilities, such as water, sewerage, electricity and telephone upon, across or within land of the Grantor and any intended roadways located thereon, for the purpose of providing utility services to or across any portion of the Grantor's property, including, but not limited to, the unrestricted right to tie in to any utility services which exist or are subsequently constructed upon or within the Grantor's property.

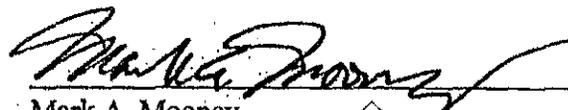
Reference is made to Plan entitled "Interim Drainage & Phasing Schedule for Prescott Hill Business Park N.H. Route 106 & Plummer Hill Road Belmont, New Hampshire" dated November 23, 1998, revised February 1, 1999, by Lepine Engineering & Surveying for location of water and sewer lines and manholes.

The Easements granted herein shall burden the encumbered property and run with the land. The benefits and burdens conveyed herein shall be binding upon and enure to the Grantor and the Grantee, their successors and assigns.

The property subject to this Easement is not homestead property.

BK 1630PG0922

This Easement is signed this 15<sup>th</sup> day of February, 2001.

  
Mark A. Mooney

STATE OF NEW HAMPSHIRE  
COUNTY OF BELKNAP

On this the 15<sup>th</sup> day of February, 2001, before me, the undersigned officer, personally appeared **MARK A. MOONEY**, known to me (or satisfactorily proven) to be the person whose name appears subscribed to the within instrument, and acknowledged that he executed the same for the purposes contained herein.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

  
Notary Public / Justice of the Peace  
My Commission Expires: 05/08/03  
Edmund S. Hibbard

RECEIVED

2001 FEB 15 PM 12:52

REGISTRY OF DEEDS  
BELKNAP COUNTY

*Registrar*

BK1630PG0923

RECEIVED

707160

2007 MAY 11 PM 11:14

*Rachel M. Normandin*  
REGISTRY OF DEEDS  
BELKNAP COUNTY  
*Registrar*

| STATE OF NEW HAMPSHIRE               |   |                          |            |
|--------------------------------------|---|--------------------------|------------|
| DEPARTMENT OF REVENUE ADMINISTRATION |  | REAL ESTATE TRANSFER TAX |            |
| **** THOUSAND                        | X HUNDRED AND   | 40                       | DOLLARS    |
| 05/11/2007                           | 811009  | \$                       | *****40.00 |
| VOID IF ALTERED                      |   |                          |            |

### EASEMENT

**MARK A. MOONEY**, of South Road, Belmont, County of Belknap, State of New Hampshire, for consideration paid, grants to **LAKELAND MANAGEMENT COMPANY, INC.**, a New Hampshire corporation and public utility, duly established, with a principal place of business and mailing address of 100 Diamond Place, Laconia, New Hampshire 03246; with **WARRANTY COVENANTS:**

A permanent easement and license, in gross, for a protective well radius area over certain property owned by the Grantor and located on NH Route 107 in Belmont, County of Belknap, State of New Hampshire, which land is currently designated as Tax Map 204, Lot 23 on tax maps maintained by the Town of Belmont, New Hampshire.

The easements hereby granted are depicted on plan entitled "Easement Plan Boundary Survey Realty Resources Chartered Map 204, Lot 23 Mark A. Mooney Belmont, Belknap County, New Hampshire", by Holden Engineering & Surveying, Inc., dated April 2, 2007 (the "Plan"). By virtue of this easement, the Grantee, its successors and assigns shall have the right to construct, maintain, repair and replace underground utility lines, such as water, sewerage, electrical and telephone upon, across or within land of the Grantor and any intended roadways located thereon, for the purpose of providing utility services to or across any portion of the Grantor's property, including, but not limited to, the right to tie into any utility services which exist or are subsequently constructed upon or within Grantor's property.

Included in this easement is the right, on the part of the Grantee, to maintain and operate the existing water wells on the premises, as well as the right to install, maintain and operate a new well in that location designated on the Plan as "Future Well", each such well to have a protective well radius of 200', as depicted on the plan.

BK2406PG0074

-2-

Any portion of the Grantor's property which is subject to a protective well radius easement, as contemplated herein, may not be used in violation of New Hampshire RSA 485-A:30(b) or in violation of the Regulations at ENV-WS 372.13 or any successor statute or regulation thereto.

The purpose of this easement is to establish a protective area to prevent contamination of the aforementioned water supply wells. Hereafter, and for so long as the wells are used for a source of public water supply, the area of the above-described easement shall be kept in a natural state. No use of the area shall be permitted which could directly or indirectly degrade the quality of the water from the aforementioned wells. Uses that would be prohibited include: transportation corridors; underground utilities or structures except those that are associated with potable water, electricity or communication; the storage, handling, transport, treatment, or disposal of the following: domestic or industrial wastewater; hazardous or regulated substances such as pesticides, gas and oil, and other chemicals; hazardous or solid wastes; fertilizers; or, any other use that the New Hampshire Department of Environmental Services determines would be detrimental to water quality. No change in use of the area of the protective easement may be undertaken without approval from the New Hampshire Department of Environmental Services, which approval shall not be unreasonably withheld. The Grantor and his successors in interest shall retain full ownership interests in the area of the protective easement.

For Grantor's title, reference is made to Warranty Deed of Leander C. Constant and Ruth M. Constant, dated December 16, 1983, recorded in Book 861, Page 70, Belknap County Registry of Deeds.

The easements granted herein shall burden the encumbered premises and run with the land. The benefits and burdens conveyed herein shall be binding upon and enure to the benefit of the Grantor and the Grantee, his and its successors and assigns.

The consideration for this easement is nominal and only the minimum real estate transfer tax shall apply.

The property subject to this easement is not homestead property.

This Easement is signed this 9<sup>th</sup> day of May, 2007.

  
Mark A. Mooney, Grantor

BK 2406PG0075

-3-

**STATE OF NEW HAMPSHIRE  
COUNTY OF BELKNAP**

On this 9<sup>th</sup> day of May, 2007, before me, the undersigned officer, personally appeared **Mark A. Mooney**, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes contained therein.

**IN WITNESS WHEREOF**, I hereunto set my hand and official seal

**JOHN P. GIERE**  
Justice of the Peace - State of New Hampshire  
My Commission Expires February 7, 2012

\_\_\_\_\_  
Notary Public/Justice of the Peace  
My Commission Expires: \_\_\_\_\_

DocuCom PDF Wizard  
www.pdfwizard.com

BR 24 06 PG 076

414019

**EASEMENT**

**MARK A. MOONEY**, of South Road, Belmont, Belknap County, New Hampshire, 03220, for consideration paid, grants to **LAKELAND MANAGEMENT COMPANY, INC.**, a New Hampshire corporation and public utility with a principal place of business on Route 107, Belmont, Belknap County, New Hampshire, and a mailing address of 408 South Road, Belmont, New Hampshire, 03220, with **WARRANTY COVENANTS**:

A permanent easement and license, in gross, over certain property owned by the Grantor located in Laconia and in Belmont, Belknap County, New Hampshire, as shown on a certain Plan entitled, "Overall Master Subdivision Plan, Briarcrest Manufactured Housing Park, Laconia/Belmont, Belknap County, New Hampshire, for Mark Mooney", by Steven J. Smith & Associates, Inc., dated December 2, 1994, to be recorded in the Belknap County Registry of Deeds.

This Easement includes the grant of the right to construct, maintain, repair and replace underground utilities, such as water, sewerage, electricity and telephone upon, across or within land of the Grantor and any intended roadways located thereon, for the purpose of providing utility services to or across any portion of the Grantor's property, including, but not limited to, the unrestricted right to tie in to any utility services which exist or are subsequently constructed upon or within Grantor's property.

Included in this Easement is the right, on the part of the Grantee, to drill, maintain and operate the existing water well on the burdened property, with a protective well radius of 200 feet, and the right to drill an additional well on said land, also with a protective well radius of 200 feet, provided, nevertheless, that any additional well or wells may not be closer than 400 feet from the existing well, as shown on the Plan.

Any portion of the Grantor's property which is subject to a Protective Well Radius Easement, as contemplated herein, may not be used in violation of New Hampshire RSA 485-A:30(b) or in violation of the regulations at ENV-WS 372.13, or any successor statute or regulation thereto. Notwithstanding the foregoing, any restrictions on Grantor's use of its property arising by virtue of a Protective Well Radius Easement around a well to be installed subsequent to the date of this Easement shall not become effective until a plan has been recorded in the Belknap County Registry of Deeds, showing the location of said well and the corresponding protective well radius area.

8K1 320 Pg0440

The Easements granted herein shall burden the encumbered property and run with the land. The benefits and burdens conveyed herein shall be binding upon and enure to the Grantor and the Grantee, their successors and assigns.

The property subject to this Easement is not homestead property.

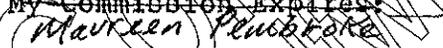
This Easement is signed this 13<sup>th</sup> day of December, 1994.

  
Mark A. Mooney

**STATE OF NEW HAMPSHIRE  
COUNTY OF BELKNAP**

On this the 13<sup>th</sup> day of December, 1994, before me, the undersigned officer, personally appeared Mark A. Mooney, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand.

  
Justice of the Peace/Notary Public  
My Commission Expires:  


BK1 320 PG0441

DocuSign  
www.pdfcrowd.com

RECEIVED  
*Rachel M. Normander*  
94 DEC 14 PM 12:36

REGISTRY OF DEEDS  
BELKNAP COUNTY  
*Register*

|                                      |                          |
|--------------------------------------|--------------------------|
| STATE OF NEW HAMPSHIRE               |                          |
| DEPARTMENT OF REVENUE ADMINISTRATION | REAL ESTATE TRANSFER TAX |
| **** THOUSAND                        | # HUNDRED AND 40 DOLLARS |
| 12/14/1994                           | 162731 \$ *****40.00     |
| VOID IF ALTERED                      |                          |

**SCHEDULE 1.1(c)**

Seller's Office Supplies, Furniture, and Office Equipment

None

**SCHEDULE 1.1(d)**

Assumed Contracts

Although largely performed, the Utility Construction and Service Contract which follow this sheet is still in force.

Although there is no written contract, the Seller is charged by the City of Laconia for sewer system usage. Seller bills metered customers, then Seller pays the City for sewer system usage. This arrangement would continue.

*Barbara R. Luther*

✓ Upton & Hatfield, LLP  
P.O. Box 1090  
Concord, NH 03302-1090

UTILITY CONSTRUCTION AND SERVICE CONTRACT

This Agreement is made between Lakeland Management Company, Inc., of 100 Diamond Place, Laconia, New Hampshire 03246 ("Lakeland"), and Maple Hill Acres Limited Partnership, of 247 Commerical Street, Rockport, ME 04856 ("Maple Hill"), as of April 8, 2008, for property located in Belmont, New Hampshire.

Recitals:

A. Lakeland is a public utility providing water and sewer utility services in portions of Belmont, New Hampshire. Lakeland is subject to the jurisdiction of the New Hampshire Public Utilities Commission ("PUC"), and has filed tariff and rate schedules with the PUC.

B. Maple Hill is constructing a thirty-two unit multi-family housing project in Belmont on Tax Lot 204/23 (the "Project"), on a private road with access to Province Road, a state highway, within Lakeland's franchise area, and wishes to obtain sewer and water service from Lakeland.

C. The Project, and the sewer and water service infrastructure, is shown on utility plans by Holden Engineering & Surveying, Inc., dated November 21, 2005 revised to February 14, 2008, Sheets 7, 8, 15, 16, 17, 18 and 19 (the "Utility Plan"), on file at the Town of Belmont Planning Office.

D. The parties intend by this Agreement to confirm their agreement for the construction and maintenance of the pipes, lines and other improvements necessary for Lakeland to provide water and sewer service to the Project.

E. The parties recognize that the provisions in the tariffs for ownership and maintenance obligations for the service pipes, lines and other improvements are unclear on their application to a project of this nature located on a private road, and wish to designate more specifically those obligations.

NOW, THEREFORE, for consideration paid, the parties agree that:

1. Water and Sewer Utility Service. Subject to the provisions of this Agreement, Lakeland shall provide water and sewer utility service to the Project, including without limitation connection of the sewer service to the off-site sewer system owned by the City of Laconia.

2. Capacity and Approvals. Lakeland represents that it has capacity and necessary approvals, including from the New Hampshire Department of Environmental Services ("DES"), the City of Laconia, and the New Hampshire PUC, to connect to and service the Project. Lakeland represents the Project is located within its water and sewer franchise areas.

3. Rates. The rates for the utility service shall be as set forth in tariff pages filed with and approved by the PUC, as they may be amended or revised from time to time.

4. Construction of Infrastructure. Maple Hill shall construct, at its expense, all additional water and sewer lines, collection lines, and pump stations and infrastructure required for the provision of water and sewer utility service for the Project (the "Infrastructure") as shown on the Utility Plan which are not already in place, and in

accordance with construction plans prepared by Holden Engineering & Surveying, Inc., and which have been approved by Lakeland.

5. Ownership and Maintenance of Infrastructure. Following Lakeland's approval of the completed Infrastructure, Maple Hill shall grant Lakeland an easement for the Infrastructure and Lakeland shall then own and maintain the service pipes, lines, force mains, manholes, pumps, and other Infrastructure running from between the manholes and water mains in the parking lots and under the private roads on the Project and thence running to land known as Briarcrest Estates, including all water and sewer pipes, lines, manholes, mains, and other Infrastructure located under the private roads serving the Project, but excluding individual building service lines. Maple Hill shall own and maintain the individual service feeder pipes and lines running from the manholes and water mains in the parking lots into the housing units.

6. Inspection Fees, Construction Requirements. Maple Hill shall pay Lakeland its expenses to monitor and inspect the construction of the Infrastructure at a rate of \$40.00 per hour. Maple Hill will give reasonable advance notice of required inspection, in accordance with an inspection schedule reasonably acceptable to Lakeland and Maple Hill. Maple Hill is responsible for obtaining sewer connection permits and a separate construction inspection agreement with Laconia Department of Public Works for inspection of the sewer installation. The parties shall coordinate the construction and inspection of the Infrastructure with the construction schedule for the Project.

7. Other Provisions. Lakeland will provide copies of all applicable tariffs filed with PUC to Maple Hill upon request. All other obligations of the parties shall be as described in the tariffs, as they may be amended.

Utility Construction and Service Contract

Signature Page

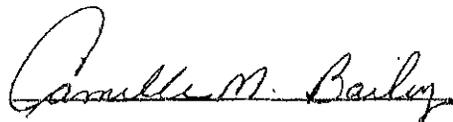
This agreement may be executed in counterparts.

Lakeland Management Company, Inc.

By:   
Mark A. Mooney, Its President

STATE OF NEW HAMPSHIRE  
BELKNAP COUNTY

The foregoing instrument was acknowledged before me this 8 day of April, 2008, by Mark A. Mooney, as President of Lakeland Management Company, Inc.



Justice of the Peace  
Notary Public  
My Commission expires: 9/3/08

CAMILLE M. BAILEY  
★ NOTARY PUBLIC - NEW HAMPSHIRE ★  
My Commission Expires September 3, 2008

Utility Construction and Service Contract

Signature Page

Maple Hill Acres Limited Partnership

By: JMC Partners, LLC, its General Partner

By: William P. Pearce  
William P. Pearce, Its Manager

STATE OF MAINE  
KNOX COUNTY

The foregoing instrument was acknowledged before me on April 8, 2008, by William P. Pearce a manager of JMC Partners, LLC, general partner of Maple Hill Acres Limited Partnership.

Christopher Devlin

Justice of the Peace/  
Notary Public  
My Commission expires:  
JANUARY 18, 2009



**SCHEDULE 1.1(f)**

CIAC (contributions in aid of construction)

See attached.

Lakeland Management Co.  
 Book Amotization

| <u>Account</u> | <u>Description</u>             | <u>Date</u> | <u>Method</u> | <u>Life</u> | <u>Rate</u> | <u>Costs</u> | 12/31/2010        | 2011             | 2011               | 12/31/2011       | 2012            | 2012               | 12/31/2012       |
|----------------|--------------------------------|-------------|---------------|-------------|-------------|--------------|-------------------|------------------|--------------------|------------------|-----------------|--------------------|------------------|
|                |                                |             |               |             |             |              | <u>AccumAmort</u> | <u>Amort Exp</u> | <u>Retirements</u> | <u>AccumDepr</u> | <u>Depr Exp</u> | <u>Retirements</u> | <u>AccumDepr</u> |
| 311            | Pump.Equip. - VFD              | 7/1/2010    | SL            | 10          | 10.00%      | 2,972        | 165               | 297              |                    | 462              | 297             |                    | 759              |
| 311            | Pump.Equip - VFD               | 7/1/2010    | SL            | 10          | 10.00%      | 2,972        | 165               | 297              |                    | 462              | 297             |                    | 759              |
| 330            | Distr. Reservoirs & Standpipes | 7/1/2010    | SL            | 45          | 2.22%       | 18,554       | 201               | 412              |                    | 613              | 412             |                    | 1,025            |
| 330            | Distr. Reservoirs & Standpipes | 7/1/2010    | SL            | 45          | 2.22%       | 18,554       | 200               | 413              |                    | 613              | 412             |                    | 1,025            |
| Total          |                                |             |               |             |             | 43,052       | 731               | 1,419            |                    | 2,150            | 1,418           | 0                  | 3,568            |

SPSt. Cyr  
 3/27/2013

**SCHEDULE 1.1 (g)**

CWIP (construction work in process)

None

**SCHEDULE 1.1(h)**

Inventory

| <u>Account</u> | <u>Description</u>                          | <u>Costs</u>       |
|----------------|---|--------------------|
|                | Plant Materials and Supplies                |                    |
| 151            | Meters                                      | \$ 615.21          |
| 151.2          | Spare pump and motor for sewer lift station | <u>7,316.00</u>    |
|                | Total                                       | <u>\$ 7,931.21</u> |

**SCHEDULE 1.1(k)**  
Transferable Licenses and Permits

DES permit to operate

**SCHEDULE 1.2(b)**

Accounts Receivable

To be attached at closing

**SCHEDULE 1.2(d)**

Excluded Assets

None

**SCHEDULE 1.7**

Purchase Price Allocation

The purchase price shall be allocated according to the final Closing Rate Base proportionally among plant, equipment and inventory.

**SCHEDULE 3.3**

Pledge

See attached Promissory Note dated June 6, 2008 and Stock Pledge And Escrow Agreement dated June 6, 2008.

**STOCK PLEDGE AND ESCROW AGREEMENT**

**THIS STOCK PLEDGE AND ESCROW AGREEMENT** (the "Stock Escrow Agreement") is made and entered into this 6th day of June, 2008, by and between **WADE R. CRAWSHAW**, of PO Box 7394, Gilford, New Hampshire 03247 ("Obligor"); **MARK A. MOONEY**, of 428 South Road, Belmont, New Hampshire 03220 ("Obligee") and **WESCOTT, MILLHAM & DYER, LLP**, of 28 Bowman Street, PO Box 1700, Laconia, New Hampshire 03247 ("Escrow Agent");

**WITNESSETH**

**WHEREAS**, Obligor and Obligee are parties to a certain Purchase Agreement dated October \_\_\_\_\_, 2007, whereby Obligor shall acquire from Obligee all of the issued and outstanding shares of stock in a certain corporation known as Lakeland Management Company, Inc. (the "Corporation"); and

**WHEREAS**, Obligee has transferred all of his shares of stock in the Corporation to Obligor and accepted as partial payment therefore a promissory note from Obligor in the original principal amount of Five Thousand Dollars (\$5,000.00) (the "Note"); and

**WHEREAS**, Obligor and Obligee wish to secure repayment of the Note by granting Obligee a security interest in the shares of the Corporation acquired by Obligor from Obligee.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual covenants contained herein, the parties hereto agree as follows:

1. Concurrently with the execution of this Stock Escrow Agreement, the Obligor has delivered to Escrow Agent Stock Certificates, accompanied by stock powers duly executed in blank, representing all of the issued and outstanding shares of the capital stock of the Corporation ("Escrow Stock"), the receipt of which is hereby acknowledged by the Escrow Agent.

2. The Escrow Stock shall remain in the record name of the Obligor, but shall be held by the Escrow Agent in accordance with the terms hereof.

3. The Obligor shall be entitled to vote the Escrow Stock provided that the Obligor is not in default with respect to the terms of the Note, but the Obligor shall not be entitled to vote the shares in any manner which would dilute the value or to merge or consolidate or terminate the Corporation or create new shares or new shareholders of the Corporation without the prior written consent of the Obligee or his legal representative, which consent shall not unreasonably be withheld.

4. Upon payment in full of the Note, Obligor and the Obligee do each hereby agree to

immediately notify the Escrow Agent, in writing, of such fact. The Escrow Agent shall thereupon deliver to the Obligor the Escrow Stock, whereupon this Stock Escrow Agreement shall terminate. Failure by Obligee to notify the Escrow Agent of either (a) payment of the Note; or (b) non-payment of the Note, upon its due date, shall be deemed for purposes thereof to constitute notice to the Escrow Agent from Obligee of the payment in full by the Obligor of the Note.

5. In the event that:

- (a) the Note is not paid in full on its due date; or
- (b) the Obligor otherwise commits a default under the Note; and
- (c) the Obligee notifies the Obligor of such default; and
- (d) the Obligee serves upon the Escrow Agent both such notice and proof of the service of such notice upon the Obligor; and
- (e) the Obligor does not serve upon the Escrow Agent, within twenty (20) days after the service upon the Obligor of the Obligee's notice of default (sub-paragraph 5(c)), a written objection to the Obligee's notice of default;

then the Escrow Agent shall deliver the Escrow Stock to the Obligee, and notify the Obligor of such delivery. Unless the Escrow Agent delivers the Escrow Stock to the Obligee in accordance with the first sentence of this paragraph 5, the Escrow Agent shall deliver the Escrow Stock only as follows:

- (w) to Obligor as directed by a writing signed by Obligee; or
- (x) to Obligee as directed by a writing signed by Obligor; or
- (y) as directed by a writing signed by Obligor and Obligee; or
- (z) in accordance with an order addressed to the Escrow Agent issued by a court of competent jurisdiction.

To constitute a notice of default within the meaning of the first sentence of this paragraph 5, such notice must be in writing, must describe the default with particularity, specifying the provision of the Note which Obligor is alleged to have failed to perform, must recite the twenty (20) days to object and must be delivered to Obligor in hand or by a courier which obtains a receipt from the addressee. Proof of service, as used in this paragraph 5, means only such receipt or the affidavit of the individual who effects in hand service, reciting the in hand character of the service, the full name and address of such affiant and the date, time and place of such in hand service. This Stock Escrow Agreement shall terminate upon delivery of the Escrow Stock in accordance with this paragraph 5.

6. It is understood and agreed that the Escrow Agent shall have no duties or responsibility whatsoever hereunder, except as specifically provided herein; that the Escrow Agent shall be fully protected and incur no liability in acting upon any notice, request, consent, certificate, document, letter, telegram, order, resolution or other paper believed by the Escrow Agent to be genuine and to be signed or sent by the proper person; that the Escrow Agent shall be responsible only for gross negligence or willful default; that the Escrow Agent shall be under no obligation to commence, continue or defend any suit or proceeding in connection with this matter unless requested to do so by any one or more of the parties in interest and indemnified to the Escrow Agent's satisfaction; that the Escrow Agent may, from time to time, engage legal counsel for advice concerning the subject matter of this Stock Escrow Agreement, and everything done or suffered to be done in good faith by the Escrow Agent in accordance with the opinion of counsel shall be conclusive in favor of the Escrow Agent against all those now or hereafter interested in the subject matter of this Stock Escrow Agreement; that the Escrow Agent shall be entitled to no compensation for services rendered by him in connection with this matter, but shall be entitled to be reimbursed for all expenses, including counsel fees which may be incurred by him in connection therewith, which compensation and expenses shall be borne by the Obligee.

7. This Stock Escrow Agreement constitutes the entire understanding between the parties, and no waiver or modification of the terms hereof shall be valid unless in writing signed by the party to be charged, and only to the extent therein set forth.

8. This Stock Escrow Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire.

9. This Stock Escrow Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, administrators and executors; provided, however, that this Stock Escrow Agreement may not be assigned by the Obligee.

10. This Stock Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

**[this space left intentionally blank]**

IN WITNESS WHEREOF, each of the parties hereto has executed this Stock Escrow Agreement on the day and year first above written.

OBLIGOR:



Wade Crawshaw

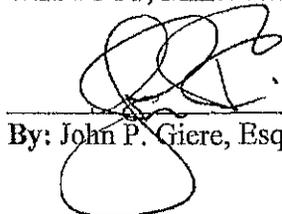
OBLIGEE:



Mark A. Mooney

ESCROW AGENT:

WESCOTT, MILLHAM & DYER, LLP



By: John P. Giere, Esquire



Witness



Witness



Witness

PROMISSORY NOTE

\$200,000.00

Laconia, New Hampshire  
June 6, 2008

FOR VALUE RECEIVED, Wade R. Crawshaw, of PO Box 9394, Gilford, NH 03247, promises to pay to the order of Mark A. Mooney, at 428 South Road, Belmont, NH 03220, or at such other place as the holder hereof may designate, the principal sum of Two Hundred Thousand Dollars (\$200,000.00), plus interest on the declining balance at the rate of five percent (5%) per year until paid in full. Principal and interest shall be paid in One Hundred Eighty (180) equal monthly installments of One Thousand Five Hundred Eighty-one and Sixty Hundredths Dollars (\$1,581.60), commencing on July 6, 2008, and continuing on the same day of each month thereafter until paid in full. Any principal or accrued interest remaining unpaid on July 6, 2023, shall then be paid in full. All monies received by the holder hereof from, or on behalf of, the makers shall be applied first to the costs and expenses of collection, if any, then to late charges accrued but unpaid, if any, then to interest, and then to principal.

Failure of the holder hereof to enforce any provision hereof shall not constitute a waiver of that provision or of any default, and the express waiver of any default shall not constitute the waiver of any provision hereof, or of any subsequent default. Maker waives presentment, demand, protest, and notice of protest and dishonor. Maker may prepay all or any portion of this note at any time without penalty, but any such prepayment shall not change the amortization schedule.

In the event the maker shall fail to pay any installment due under this note when due, and such failure shall continue for Fifteen (15) days after receipt of written notice of such non-payment, at the option of the holder hereof, the entire principal amount of this note, plus accrued interest shall be immediately due and payable. In the event the maker shall fail to pay any installment due under this note within fifteen (15) days after said installment is due, in addition to all other remedies available to the holder hereof, the maker shall pay to the holder a late charge equal to five percent (5%) of the installment not timely paid. Late charges not paid by the first of the month following the month in which the late charge accrued shall be added to the principal amount of this note. In the event of default hereunder, the maker shall, in addition to principal and accrued interest, pay the holder hereof all expenses of collection, including, but not limited to, court costs and reasonable attorneys fees. All remedies of the holder hereof shall be cumulative.

In Witness Whereof, Wade R. Crawshaw has caused his name to be hereunto affixed as of the date first above written.

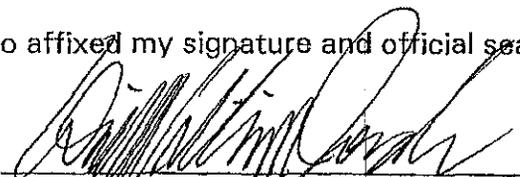
  
\_\_\_\_\_  
Wade R. Crawshaw

ACKNOWLEDGMENT

STATE OF NEW HAMPSHIRE  
COUNTY OF BELKNAP

On June 6, 2008, Wade R. Crawshaw personally appeared before the undersigned officer, known to me (or satisfactorily proven) to be the person who subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto affixed my signature and official seal.

  
\_\_\_\_\_  
Notary Public/Justice of the Peace

**SCHEDULE 3.5**

Consents and Approvals

Public Utilities Commission

See Stock Pledge And Escrow Agreement set forth in Schedule 3.3.

**SCHEDULE 3.6(b)**

Seller's Personal Property

See personal property set forth as part of Schedule 1.1(b).

**SCHEDULE 3.8**

Financial Statement

See attached Schedule F-1 and F-2 from 2012 PUC Annual Report.

**F-1 BALANCE SHEET**  
**Assets and Other Debits**

| Line # | Acct #   | Account Title (a)                             | Ref Sch (b) | Current Year End Balance (c) | Previous Year End Balance (d) | Increase or Decrease (e) |
|--------|----------|---|-------------|------------------------------|-------------------------------|--------------------------|
| 1      |          | <b>UTILITY PLANT</b>                          |             |                              |                               |                          |
| 2      | 101->105 | Utility Plant                                 | F-6         | \$633,072                    | \$631,193                     | \$1,879                  |
| 3      | 108+110  | Less: Accumulated Depreciation & Amortization | F-6         | 250,839                      | 240,377                       | 10,462                   |
| 4      |          | Net Plant                                     |             | \$382,233                    | \$390,816                     | (\$8,583)                |
| 5      | 114-115  | Utility Plant Acquisition Adjustment - Net    | F-7         |                              |                               |                          |
| 6      |          | Total Net Utility Plant                       |             | \$382,233                    | \$390,816                     | (\$8,583)                |
| 7      |          |   |             |                              |                               |                          |
| 8      |          | <b>OTHER PROPERTY AND INVESTMENTS</b>         |             |                              |                               |                          |
| 9      | 121      | Nonutility Property                           | -           |                              |                               |                          |
| 10     | 122      | Less: Accumulated Depreciation & Amortization | -           |                              |                               |                          |
| 11     |          | Net Nonutility Property                       |             |                              |                               |                          |
| 12     | 124      | Utility Investments                           | -           |                              |                               |                          |
| 13     | 127      | Depreciation Funds                            | -           |                              |                               |                          |
| 14     |          | Total Other Property and Investments          |             |                              |                               |                          |
| 15     |          |   |             |                              |                               |                          |
| 16     |          | <b>CURRENT AND ACCRUED ASSETS</b>             |             |                              |                               |                          |
| 17     | 131      | Cash  | -           | \$56,969                     | \$28,375                      | \$28,594                 |
| 18     | 132      | Special Deposits                              | -           |                              |                               |                          |
| 19     | 133      | Other Special Deposits                        | -           |                              |                               |                          |
| 20     | 141-143  | Accounts & Notes Receivable Net               | -           | 55,435                       | 36,266                        | 19,169                   |
| 21     | 151      | Plant Materials and Supplies                  | -           | 7,931                        | 7,931                         | -                        |
| 22     | 162+163  | Prepayments                                   | -           | 2,318                        | 3,897                         | (1,579)                  |
| 23     | 174      | Miscellaneous Current and Accrued Assets      | -           |                              |                               |                          |
| 24     |          | Total Current and Accrued Assets              |             | \$122,653                    | \$76,469                      | \$46,184                 |
| 25     |          |   |             |                              |                               |                          |
| 26     |          | <b>DEFERRED DEBITS</b>                        |             |                              |                               |                          |
| 27     | 186      | Miscellaneous Deferred Debits                 | -           | \$28,917                     | \$40,137                      | (\$11,220)               |
| 28     | 190      | Accumulated Deferred Income Taxes             | -           |                              |                               |                          |
| 29     |          | Total Deferred Debits                         |             | \$28,917                     | \$40,137                      | (\$11,220)               |
| 30     |          | <b>TOTAL ASSETS AND OTHER DEBITS</b>          |             | <b>\$533,803</b>             | <b>\$507,422</b>              | <b>\$26,381</b>          |

**F-1 BALANCE SHEET**  
**Equity Capital and Liabilities**

| Line # | Acct #   | Account Title<br>(a)                                      | Ref Sch<br>(b) | Current Year End Balance<br>(c) | Previous Year End Balance<br>(d) | Increase or (Decrease)<br>(e) |
|--------|----------|---|----------------|---------------------------------|----------------------------------|-------------------------------|
| 1      |          | <b>EQUITY CAPITAL</b>                                     |                |                                 |                                  |                               |
| 2      | 201      | Common Stock Issued                                       | F-31           |                                 |                                  |                               |
| 3      | 204      | Preferred Stock Issued                                    | F-31           |                                 |                                  |                               |
| 4      | 211      | Other Paid In Capital                                     | -              | 212,987                         | 212,987                          | -                             |
| 5      | 215      | Unappropriated Retained Earnings                          | -              |                                 |                                  |                               |
| 6      | 217      | Retained Earnings   | F-3            | \$132,564                       | \$78,173                         | 54,391                        |
| 7      | 218      | Proprietary Capital (Proprietorships & Partnerships only) | F-4            |                                 |                                  |                               |
| 8      |          | Total Equity Capital                                      |                | \$345,551                       | \$291,160                        | \$54,391                      |
| 9      |          | <b>LONG TERM DEBT</b>                                     |                |                                 |                                  |                               |
| 10     | 223      | Advances from Associated Companies                        | F-35           |                                 |                                  |                               |
| 11     | 224      | Other Long-Term Debt                                      | F-35           | \$103,476                       | 104,421                          | (\$945)                       |
| 12     |          | Total Long Term Debt                                      |                | \$ 103,476                      | \$104,421                        | (\$945)                       |
| 13     |          | <b>CURRENT AND ACCRUED LIABILITIES</b>                    |                |                                 |                                  |                               |
| 14     | 231      | Accounts Payable  | -              |                                 |                                  |                               |
| 15     | 232      | Notes Payable   | F-36           |                                 |                                  |                               |
| 16     | 235      | Customer Deposits   | -              |                                 |                                  |                               |
| 17     | 236      | Accrued Taxes   | F-38           | 178                             |                                  | 178                           |
| 18     | 237      | Accrued Interest  | -              | 4,124                           |                                  | 4,124                         |
| 19     | 241      | Miscellaneous Current & Accrued Liabilities               | -              | 12,559                          | 58,377                           | (45,818)                      |
| 20     |          | Total Current and Accrued Liabilities                     |                | \$16,861                        | \$58,377                         | (\$41,516)                    |
| 21     |          | <b>OTHER LIABILITIES</b>                                  |                |                                 |                                  |                               |
| 22     | 252      | Advances for Construction                                 | -              |                                 |                                  |                               |
| 23     | 253      | Other Deferred Credits                                    | -              |                                 |                                  |                               |
| 24     | 255      | Accumulated Deferred Investment Tax Credit                | -              |                                 |                                  |                               |
| 25     | 265      | Miscellaneous Operating Reserves                          | -              |                                 |                                  |                               |
| 26     | 271-272  | CIAC - Net  | F-46           | 39,483                          | 40,902                           | (1,419)                       |
| 27     | 281->283 | Accumulated Deferred Income Taxes                         | -              | 28,432                          | 12,562                           | 15,870                        |
| 28     |          | Total Other Liabilities                                   |                | \$67,915                        | \$53,464                         | \$14,451                      |
| 29     |          | <b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>               |                | <b>\$533,803</b>                | <b>\$507,422</b>                 | <b>\$26,381</b>               |

F-2 STATEMENT OF INCOME

| Line # | Acct # | Account Title (a)                                 | Ref Sch (b) | Current Year (c) | Previous Year (d) | Increase or (Decrease) (e) |
|--------|--------|---|-------------|------------------|-------------------|----------------------------|
| 1      |        | <b>UTILITY OPERATING INCOME</b>                   |             |                  |                   |                            |
| 2      | 400    | Operating Revenue                                 | F-47        | \$238,574        | \$146,596         | \$91,978                   |
| 3      | -      | Operating Expenses:                               |             |                  |                   |                            |
| 4      | 401    | Operation and Maintenance                         | F-48        | \$147,432        | \$119,767         | \$27,665                   |
| 5      | 403    | Depreciation                                      | F-12        | 18,363           | 18,265            | 98                         |
| 6      | 405    | Amortization of CIAC                              | F-46.4      | (1,419)          | (1,419)           | -                          |
| 7      | 406    | Amortization of Utility Plant Acquisition Adj     | F-49        |                  |                   |                            |
| 8      | 407    | Amortization - Other                              | F-49        |                  |                   |                            |
| 9      | 408    | Taxes Other Than Income                           | F-50        | 8,595            | 7,642             | 953                        |
| 10     | -      | Income Taxes (409.1+410.1+411.1+412.1)            | -           | 14,390           | 2,185             | 12,205                     |
| 11     |        | Total Operating Expenses                          |             | \$187,361        | \$146,440         | \$40,921                   |
| 12     |        | Net Operating Income (Loss)                       |             | \$51,213         | \$156             | \$51,057                   |
| 13     |        |   |             |                  |                   |                            |
| 14     |        | <b>OTHER INCOME AND DEDUCTIONS</b>                |             |                  |                   |                            |
| 15     | 419    | Interest & Dividend Income                        | -           | \$117            |                   |                            |
| 16     | 420    | Allowance for Funds Used During Construction      | -           |                  |                   |                            |
| 17     | 421    | Non-Utility Income                                | -           |                  |                   |                            |
| 18     | 422    | Gain (Loss) From Disposition Nonutility Property  | -           |                  |                   |                            |
| 19     | 426    | Miscellaneous Non-Utility Expenses                | F-57        |                  |                   |                            |
| 20     | 427    | Interest Expense                                  | -           | (5,873)          | (243)             | (5,630)                    |
| 21     | -      | Taxes Other Than Income (409.2+410.2+411.2+412.2) | -           |                  |                   |                            |
| 22     |        | Total Other Income and Deductions                 |             | (\$5,756)        | \$243             | \$5,630                    |
| 23     |        | <b>NET INCOME (LOSS)</b>                          |             | <b>\$45,457</b>  | <b>\$399</b>      | <b>\$56,687</b>            |

**SCHEDULE 3.10**

Accounts Receivable

To be attached at closing.

**SCHEDULE 3.11**

Accounts Payable

To be attached at closing.

## **SCHEDULE 3.12**

### Contracts

In addition to contracts set forth on Schedule 1.1(d):

1. Promissory Note, and Mortgage and Security Agreement, to State of New Hampshire in the original amount of \$95,000 which mortgage dated October 16, 2009, was recorded in Book 2602, Page 601 in the Belknap County Registry of Deeds on October 19, 2009.
2. Annual Contract with C & C Water Services, Inc. to provide support services, which contract will be terminated at closing.
3. See Stock Pledge And Escrow Agreement referenced in Schedule 3.3.

**SCHEDULE 3.13**

Litigation

None

**SCHEDULE 3.16(a)**

Employee Benefits Programs

None

**SCHEDULE 3.16(b)**

Employees

None

**SCHEDULE 3.16(c)**

Independent Representatives/Consultants

None other than Seller's Attorneys, Accountant, and the C & C Water Services, Inc. contract referenced in Schedule 3.12.

**SCHEDULE 3.17**

Approvals

1. DES Permit to operate
2. Public Utilities Commission

### **SCHEDULE 3.20**

#### Transactions with Interested Persons

1. Terry Crawshaw provides some administrative services annually for which she usually receives \$3,000 to \$4,000. This will end upon closing.
2. See reference to contract with C & C Water Services, Inc. in Schedule 3.12.

**Exhibit A**

See attached Year End Rate Base Sheet

Lakeland

Year End Rate Base

|                                   |         |        | <u>2012</u>       |
|-----------------------------------|---------|--------|-------------------|
| Utility Plant                     |         |        | \$ 633,072        |
| Accumulated Depreciation          |         |        | <u>(250,839)</u>  |
| Net Utility Plant                 |         |        | \$ 382,233        |
| Material and Supplies             |         |        | 7,931             |
| Prepayment                        |         |        | 2,318             |
| Cash Working Capital              | 147,432 | 20.55% | 30,297            |
| CIAC - Net                        |         |        | (39,483)          |
| Accumulated Deferred Income Taxes |         |        | <u>(28,432)</u>   |
| Total Year End Rate Base          |         |        | <u>\$ 354,864</u> |

SPSt. Cyr  
7/15/2013

**Exhibit B**

Water Supply and Sewage Disposal Disclosure

While the pump house supplies water for others, there is no sink, toilet or other water usage in the building.

There is no sewage and there is no sewage disposal.

## Exhibit C

### Radon Gas and Lead Paint Disclosure

Radon Gas: Radon gas, the product of decay of radioactive materials in rock may be found in some areas of New Hampshire. This gas may pass into a structure through the ground or through water from a deep well. Testing can establish its presence and equipment is available to remove it from the air or water.

Lead Paint: No lead paint disclosure required.

**Exhibit D**

Form of Non-Competition Agreement

See attached.

**CONFIDENTIALITY, NON-COMPETITION,  
AND NON-SOLICITATION AGREEMENT**

THIS CONFIDENTIALITY, NON-COMPETITION, AND NONSOLICITATION AGREEMENT ("Agreement") is being executed and delivered as of \_\_\_\_\_, 2013, by Theresa Crawshaw, an individual ("Shareholder"), in favor of, and for the benefit of Abenaki Water Co., Inc., a New Hampshire corporation (the "Buyer"). Certain capitalized terms used in this Agreement are defined in Section 14.

WHEREAS, Lakeland Management Company, a New Hampshire corporation (the "Company"), is engaged in the business of owning, constructing, operating, and managing facilities and plants for the distribution and sale of water and a public sewer system (the "Services").

WHEREAS, Pursuant to a certain Asset Purchase Agreement dated as of August \_\_, 2013, among the Buyer, the Shareholder, and the Company (the "Asset Purchase Agreement"), Buyer is acquiring all of the assets of the Company (the "Assets").

WHEREAS, In connection with the acquisition by the Buyer of all of the assets of the Company pursuant to the Asset Purchase Agreement (and as a condition to the consummation of such acquisition), and to enable the Buyer to secure more fully the benefits of such acquisition, the Buyer has required that Shareholder enter into this Agreement; and Shareholder is entering into this Agreement in order to induce the Buyer to consummate the acquisition contemplated by the Asset Purchase Agreement.

In order to induce the Buyer to consummate the transactions contemplated by the Asset Purchase Agreement, and for other good and valuable consideration, Shareholder agrees as follows:

1. Restriction on Competition. During the Restricted Period, Shareholder shall not, and shall not permit any of his/her Affiliates to directly or indirectly, own, engage in, manage, operate, finance, consult with, control or participate in the ownership, management, operation or control of, or act or serve as an officer, director, trustee, employee, agent, representative, partner, joint venturer, manager, operator, consultant, lender or creditor of or with any Person which is engaged in, any business or activity (each, a "Competing Business") that offers the same or substantially similar Services or otherwise competes with the Buyer within thirty (30) miles of Gilford, New Hampshire (the "Territory"); *provided, however*, that this Section 1 shall not apply to Shareholder's ownership, directly or indirectly, solely for investment purposes, of not more than five percent (5%) of the equity securities (or securities convertible or exchangeable into or exercisable for such equity securities) of any entity that is traded on an established securities exchange or quotation system. Shareholder acknowledges, confirms and agrees that the covenant set forth in this Section 1 is reasonable as to scope, duration, and geographical area.

2. No Hiring or Solicitation of Employees; Non-Solicitation. Shareholder agrees that, during the Restricted Period, Shareholder shall not, and shall not permit any of his/her Affiliates to: (a) hire any employee of Buyer or Buyer's Affiliates, or (b) directly or indirectly, personally or through others, encourage, induce, attempt to induce, solicit or attempt to solicit (on Shareholder's own behalf or on behalf of any other Person) any employee of Buyer or Buyer's Affiliates to leave his or her employment with the Buyer or the Buyer's Affiliates.

3. No Disclosure. Shareholder acknowledges, confirms, and agrees that her possesses knowledge of and is familiar with trade secret and other proprietary or confidential information concerning or relating to the Company (including, without limitation, business plans, budgets, financial

data and projections, product specifications, product development plans, current and proposed research and development, technology, inventions, software, know-how, designs, formulae, processes, discoveries, concepts, ideas, current and planned methods of operation, current and anticipated customer requirements, customer lists, price lists, royalty schedules, market studies and the like), which information is not generally known to the public (collectively, "Confidential Information"). Shareholder shall not, and shall cause her Affiliates not to, directly or indirectly, disclose, exploit, or otherwise use any portion of the Confidential Information for any purpose whatsoever. Notwithstanding the preceding sentence, Shareholder or any of her Affiliates may disclose that portion (and only that portion) of the Confidential Information (i) as may be approved in writing in advance by Buyer, (ii) as may be required by applicable external legal demand, legal process, governmental authority or a court of competent jurisdiction, or (iii) as may hereafter become generally known to the public through no breach of this covenant by Shareholder or any of her Affiliates. In the event of any disclosure permitted by clause (ii) of the preceding sentence, Shareholder and her Affiliates shall give prior written notice to Buyer of the content of the requested disclosure and the reasons requiring such disclosure so that Buyer may seek an appropriate protective order or other remedy or Buyer may waive compliance with this Section 3. In the event that Buyer is unable to obtain a protective order or other appropriate remedy or Buyer does not waive compliance with this Section 3, Shareholder or her Affiliates, as applicable, may disclose only that portion of the Confidential Information that Shareholder or such Affiliate is legally required to disclose (as determined by, if requested by Buyer, a written opinion of counsel reasonably acceptable to Buyer); *provided, however*, that upon the request of Buyer and at its expense, Shareholder and her Affiliates shall use their commercially reasonable efforts to obtain a protective order or other reliable assurance that confidential treatment will be accorded to that portion of the Confidential Information so disclosed.

4. No Disparagement. During the Restricted Period, Shareholder shall not, and shall cause [his/her] Affiliates not to, directly or indirectly, disparage or otherwise injure or damage the reputation of the Buyer or any of its directors, officers, or employees.

5. Specific Performance. Shareholder agrees that, in the event of any breach or threatened breach by Shareholder of any covenant or obligation contained in this Agreement, the Buyer shall be entitled (in addition to any other remedy that may be available to it, including monetary damages) to seek and obtain (a) a decree or order of specific performance to enforce the observance and performance of such covenant or obligation, and (b) an injunction restraining such breach or threatened breach.

6. Non-Exclusivity. The rights and remedies of the Buyer under this Agreement are not exclusive of or limited by any other rights or remedies which they may have, whether at law, in equity, by contract or otherwise, all of which shall be cumulative (and not alternative). Without limiting the generality of the foregoing, the rights and remedies of the Buyer under this Agreement, and the obligations and liabilities of Shareholder under this Agreement, are in addition to their respective rights, remedies, obligations and liabilities under the law of unfair competition, under laws relating to misappropriation of trade secrets, under other laws and common law requirements and under all applicable rules and regulations. Nothing in this Agreement shall limit any of Shareholder's obligations, or the rights or remedies of the Buyer under the Asset Purchase Agreement; and nothing in the Asset Purchase Agreement shall limit any of Shareholder's obligations, or any of the rights or remedies of the Buyer under this Agreement.

7. Severability. If any provision of this Agreement or any part of any such provision is held under any circumstances to be invalid or unenforceable in any jurisdiction, then (a) such provision or part thereof shall, with respect to such circumstances and in such jurisdiction, be deemed amended to conform to applicable laws so as to be valid and enforceable to the fullest possible extent, (b) the invalidity or unenforceability of such provision or part thereof under such circumstances and in such jurisdiction shall

not affect the validity or enforceability of such provision or part thereof under any other circumstances or in any other jurisdiction, and (c) the invalidity or unenforceability of such provision or part thereof shall not affect the validity or enforceability of the remainder of such provision or the validity or enforceability of any other provision of this Agreement. Each provision of this Agreement is separable from every other provision of this Agreement, and each part of each provision of this Agreement is separable from every other part of such provision.

8. Governing Law; Venue. This Agreement shall be governed by the laws of the State of New Hampshire, both as to interpretation and performance, regardless of the choice of law rules of that or any other state. Employee agrees to be subject to personal jurisdiction in the State of New Hampshire, and that the sole and exclusive jurisdiction and venue for any action arising out of or related to this Agreement shall be in the state or federal courts for the State of New Hampshire, except as may be necessary to enforce an order of such courts. Employee agrees and hereby consents and assents to jurisdiction and venue in Business and Commercial Dispute Docket for the Superior Court for the State of New Hampshire.

9. Attorneys' Fees. If any legal action or other legal proceeding relating to this Agreement or the enforcement of any provision of any of this Agreement is brought against any party to this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees, costs and disbursements (in addition to any other relief to which the prevailing party may be entitled).

10. Waiver. No failure on the part of the Buyer to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of the Buyer in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

11. Successors and Assigns. The Buyer may freely assign any or all of its rights under this Agreement, at any time, in whole or in part, to any Person without obtaining the consent or approval of Shareholder or of any other Person. This Agreement shall be binding upon Shareholder and his/her successors and assigns, and shall inure to the benefit of the Buyer.

12. Captions. The captions contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

13. Amendment. This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered on behalf of Shareholder and the Buyer (or any successor to the Buyer).

14. Defined Terms. For purposes of this Agreement:

(a) "Affiliate" means, with respect to any specified Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified Person.

(b) "Person" means any: (i) individual; (ii) corporation, general partnership, limited partnership, limited liability partnership, trust, company (including any limited liability company or joint stock company) or other organization or entity; or (iii) governmental body or authority.

(c) "Restricted Period" shall mean the period commencing on the date of this Agreement and ending five (5) years thereafter.

IN WITNESS WHEREOF, Shareholder has duly executed and delivered this Agreement as of the date first above written.

By: \_\_\_\_\_  
Theresa Crawshaw, an individual

*Signature page – Confidentiality, Non-Competition, and Non-Solicitation Agreement*

**ABENAKI WATER COMPANY**  
**NEAR TERM PROJECTED CAPITAL PROGRAM\* FOR WR\*\* AND LM\*\* SYSTEMS**  
**ESTIMATED COMPANY INVESTMENTS FROM 8/31/13 FORWARD IN PRESENT DAY DOLLARS**  
 June 18, 2013

| Project No. | PROJECT DESCRIPTION AND ESTIMATED START AND FINISH DATES      | 2013            |                | 2014            |                 | Comments   |
|-------------|---|-----------------|----------------|-----------------|-----------------|--|
|             |   | WR              | LM             | WR              | LM              |  |
| 1           | Purchase meters   | \$2,000         | \$3,000        | \$2,000         | \$3,000         | Annual Program - furnish and install approximately 10 percent of each system's meters yearly   |
| 2           | Install stand-by generator                                    |                 |                | \$20,000        |                 | Install stand-by power to improve system reliability and minimize service interruptions as well as intermittent emergency operating costs                                  |
| 3           | Install new and replace existing services/mains/gate valves   |                 |                | \$10,000        | \$15,000        | Replace certain aged and antiquated services and mains at White Rock and install gate valves at selected locations at Lakeland for improved isolation and break control    |
| 4           | Software/hardware upgrades integrated with new website        | \$2,400         | \$3,600        |                 |                 | Provide customer access to accounts/history, as well as ease of online payment options, facilitate monthly financials and billing for improved accuracy and fiscal control |
| 5           | Conduct a ground water exploration, investigation, and report | \$5,000         |                |                 |                 | White Rock has limited supply and is vulnerable to supply deficiency and marginal service relating to system breaks  |
|             | <b>Total Each System</b>                                      | <b>\$9,400</b>  | <b>\$6,600</b> | <b>\$32,000</b> | <b>\$18,000</b> |  |
|             | <b>Total Utility Plant Improvements*</b>                      | <b>\$16,000</b> |                | <b>\$50,000</b> |                 |  |

\* Subject to local and State reconstruction and paving projects, Governmental mandates, operational, maintenance, and regulatory changes. Does not include capitalized labor and overheads.

\*\* WR (White Rock Water Company); LM (Lakeland Management Company)