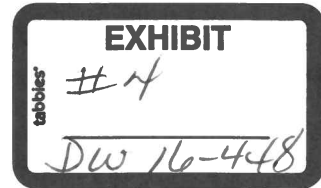


**ASSET PURCHASE AGREEMENT**

THIS ASSET PURCHASE AGREEMENT (the "Agreement"), is made as of March 17, 2016, by and among:



ABENAKI WATER CO., INC., a New Hampshire corporation with a principal place of business at 37 Northwest Drive, Plainville, CT 06062 ("Abenaki"); and

ROSEBROOK WATER COMPANY, INC., a New Hampshire corporation, with an address of \_\_\_\_\_ ("Rosebrook"); and

REDUS NH WATER CO., LLC, a Delaware limited liability company, with an address of c/o Wells Fargo, 301 S. College St., 15th Floor, Charlotte, NC 28202, MAC D1053-150 ("REDUS").

***Recitals***

- a. Rosebrook is a regulated public water utility that provides water service for a portion of the Bretton Woods area of New Hampshire (the "Business").
- b. The owner of Rosebrook entered into a settlement agreement with the owner of REDUS for the purpose of, among other things, resolving certain claims held by the owner of REDUS, assigning the right to payment for certain assets from the owner of Rosebrook to the owner of REDUS, and transferring all of the shares of Rosebrook to REDUS.
- c. REDUS is the holder of certain rights to acquire all of the shares of Rosebrook pursuant to an agreement approved by the New Hampshire Public Utilities Commission (the "PUC") by Order No. 25,685 dated July 1, 2014.
- d. Prior to the sale of shares of Rosebrook to REDUS could be consummated consistent with the PUC Order No. 25,685 dated July 1, 2014, REDUS received a bona fide offer from Abenaki to acquire the assets of Rosebrook that are held or useful in the operation of the Business.
- e. In lieu of sale pursuant to the PUC Order No. 25,685 dated July 1, 2014, Abenaki desires to purchase and REDUS and Rosebrook desire, for the consideration and on the terms and conditions set forth in this Agreement: (1) to sell to Abenaki the assets of Rosebrook that are held or useful in the operation of the Business (the "Purchased Assets"); (2) to terminate and waive the rights of REDUS to acquire the shares of Rosebrook pursuant to the PUC Order No. 25,685 dated July 1, 2014; and (3) to assign and direct the payment of the sale proceeds pursuant to this Agreement to REDUS.

**THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are acknowledged by REDUS, Rosebrook, and Abenaki, and in consideration of the above recitals and the mutual covenants set forth in this Agreement, the parties hereto agree as follows:

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

**1.1 Purchased Assets.** Subject to the provisions of this Agreement, Rosebrook agrees to transfer and Abenaki agrees to acquire and accept, at the Closing (as defined in Section 3 hereof), Rosebrook's real property rights, contract rights, and all other assets of every kind and description of Rosebrook relating to the 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 Rosebrook's goodwill relating or attributable to or arising from Rosebrook's Business and the Purchased Assets;
- (b) all of Rosebrook's property (both real and personal), plant and equipment in or near the Bretton Woods area of New Hampshire, all as set forth on Schedule 1.1(b);
- (c) all of Rosebrook'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 located in or near the Bretton Woods area of New Hampshire, all as set forth on Schedule 1.1(c);
- (d) all of Rosebrook's rights under the certain operating contracts between Rosebrook and Resort Waste Services Corporation ("RWSC") and Omni Hotels Management Corporation ("Omni") respectively, and such other agreements as expressly referenced in Schedule 1.1(d), together with all rights of renewal (collectively the "Assumed Contracts");
- (e) all franchise rights to operate the Rosebrook'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 Rosebrook as of the Closing Date as set forth on Schedule 1.1(h) identifying all of the inventory by product, location and Rosebrook's cost of inventory;
- (i) all of Rosebrook'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 related to the operation of the Business;

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

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

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

(m) originals or copies, as the parties may reasonably agree, of all books and records of Rosebrook relating to the Purchased Assets and the operation of the Business including, without limitation, receivables journals and ledgers, invoices, receipts, canceled checks, repair and maintenance records, correspondence related to the Purchased Assets and operation of Rosebrook's Business;

(n) all of Rosebrook'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 Rosebrook that are related to the Business; and

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

It is expressly agreed that the assets and properties sold hereunder shall include all assets and properties currently used to own and operate the Business in the ordinary course, 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) Rosebrook's cash on hand as of the Closing Date;

(b) Rosebrook's accounts receivable for the period ending on the Closing Date; and

(c) Any additional assets excluded from the purchase and sale transaction as set forth on Schedule 1.2 hereto.

1.3 Assumption of Liabilities. As of the Closing Date, Abenaki will assume only the Rosebrook's obligations under the Assumed Contracts. Except for the Assumed Contracts, Abenaki does not and will not assume any liabilities or obligations of the Rosebrook 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 the operation of the Business, all of which obligations shall remain and be the sole responsibility of

Rosebrook. Without limiting the preceding sentence, Abenaki specifically disclaims any liability of any nature of the Rosebrook in connection with any accounts payable and accrued expenses of the Rosebrook or the Excluded Assets as set forth in Section 1.2.

**1.4 Post-Closing Reconciliation.** Within ninety (90) days following Closing, the parties will account for and reconcile among them accounts receivable and accounts payable, if any, based upon periods prior to Closing Date (Rosebrook and REDUS, as the case may be) and following the Closing Date (Abenaki).

**1.5 Further Assurances.** Rosebrook and REDUS (to the extent appropriate) from time to time after the Closing at the request of Abenaki, and without further consideration, shall execute and deliver further instruments of transfer, assignment, waiver, and release and take such other action (including, without limitation, providing any information regarding the Business) as Abenaki may reasonably require to more effectively transfer and assign to and vest in Abenaki each of the Purchased Assets and to effectuate the terms and conditions of this Agreement. Nothing herein shall be deemed a waiver by Abenaki of its right to receive at the Closing free and clear title to all the Purchased Assets and an effective assignment of each of the agreements or rights of Rosebrook as otherwise set forth in this Agreement.

## **SECTION 2. PURCHASE PRICE.**

The parties acknowledge and agree that the cash consideration for the Purchased Assets shall be calculated by REDUS and Abenaki in accordance with customary terms and conditions for a transaction of this nature, including those set forth on Schedule 2 to be attached hereto by REDUS and Abenaki (the "Purchase Price"). The Purchase Price shall be paid by Abenaki to REDUS, as assigned to REDUS and directed by Rosebrook, as follows:

**2.1 Earnest Money Deposit.** Within one (1) Business Day after the execution and delivery of this Agreement, Abenaki shall deliver to the Escrow Agent, a copy of this Agreement and the sum of \$10,000.00 ("Earnest Money"), to be held in escrow in accordance with the terms hereof. For purposes of this Agreement, "Escrow Agent" shall be REDUS's counsel, McLane Middleton. Upon Closing, the Earnest Money shall be credited to the Purchase Price. The Earnest Money shall be non-refundable to Abenaki except in the case of Abenaki failing to obtain NH Approvals (as defined below in Section 3.2(a)) after making commercially reasonable efforts to obtain such approvals in accordance with the terms hereof, or Rosebrook or REDUS failing to satisfy any of Rosebrook's or REDUS's respective obligations pursuant hereto.

**2.2 Closing Consideration.** At the Closing, Abenaki shall deliver the balance of the Purchase Price, after credit for the Earnest Money as paid by Escrow Agent to REDUS, to REDUS via wire transfer to an account as directed by the REDUS or via funds verified to be available as of the Closing, and payable as directed in writing by REDUS. All parties hereto shall be a party to settlement statement at the Closing setting forth the payment of the Purchase Price.

**2.3 Sales and Transfer Taxes.** All sales and transfer taxes, fees and duties under applicable law incurred in connection with this Agreement or the transactions contemplated

hereby will be borne and paid by Abenaki, on the one hand, and REDUS as designee of Rosebrook, on the other hand, as provided under applicable law and customary practice.

### **SECTION 3. CLOSING; CLOSING OBLIGATIONS AND CONDITIONS.**

3.1 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 Upton & Hatfield, LLP, 10 Centre Street, Concord, New Hampshire, no later than thirty (30) days after the expiration of the period of appeal of the PUC Approvals as set forth in Section 3.2(a) below, or at such other time and place as the parties may agree. 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.

3.2 Conditions of Each Party 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 but not limited to, the approval of the PUC to the acquisition of the Purchased Assets and the operation of the Business, 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 or the operation of the Business in the future (each party agreeing to use its commercially reasonable efforts to obtain all such approvals). For purposes of this agreement, "NH Approvals" means receipt of final and non-appeal orders from referenced agency to consummate the transaction contemplated hereby and for Abenaki to operate the Business as operated by Rosebrook immediately precedent to the Closing Date, including specifically each of the following:

(i) Approval of a NH DES Permit to Operate for Abenaki to operate the water facilities operated by Rosebrook pursuant to NH RSA 485:3-a;

(ii) Approval of a NH DES permit for Abenaki to serve as the certified operator of the wastewater facilities operated by Rosebrook pursuant to NH RSA 485-A:5-a;

(iii) Approval by the PUC of the sale to Abenaki of all utility assets of Rosebrook, including specifically the Purchased Assets, pursuant to NH RSA 374:30;

(iv) Approval by the PUC of a franchise for Abenaki to engage in the public utility business of providing water service in the territory served by Rosebrook;

(v) Approval by the PUC of the discontinuance of operations by Rosebrook pursuant to NH RSA 374:28;

(vi) Approval by the PUC of the issuance of secured long term debt in an amount not to exceed \$450,000 and at interest rates not to exceed 4.75% for a 10 year fixed rate, pursuant to NH RSA 369:1 and 369:2; and

(vii) All other approvals and permits as may be required from state and federal agencies to consummate the transactions contemplated hereby and for Abenaki to operate the Business.

(b) Conveyance by Rosebrook. Rosebrook shall have agreed to and be in a position to convey all of the Purchased Assets free and clear of all liens, encumbrances, and restrictions of any kind and nature, except as may otherwise be expressly agreed to in writing by Abenaki and as waived or consented to by the owner of REDUS.

(c) Adverse Changes. There shall have been no material adverse changes in the condition of the Purchased Assets. Abenaki shall have the right, upon notice to the REDUS and Rosebrook, to enter upon the Real Property at reasonable times and places, in order to conduct the inspections, examinations and surveys of the Real Property, so long as said inspections do not unreasonably interfere with REDUS's and Rosebrook's operation and maintenance of the Business for this purpose.

(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 the Purchased Assets, this Agreement, the operation of the Business prospectively, or the consummation of the transactions contemplated hereby, which in the opinion of counsel for Abenaki makes it inadvisable to proceed with the consummation of such transactions.

(e) Due Diligence Review. Rosebrook and REDUS acknowledge that Abenaki may continue to complete remaining due diligence for a period of five (5) business days following the execution and delivery of this Agreement, after which date this due diligence condition is automatically waived by Abenaki. Rosebrook and REDUS each agrees to timely cooperate with Abenaki in that regard until Abenaki has completed to its satisfaction its due diligence review of the Purchased Assets.

3.3 Closing Deliveries by Rosebrook and REDUS. At the Closing, Rosebrook or REDUS, as the case may be, shall deliver to Abenaki the following items:

(a) Such executed and, as appropriate, notarized transfer documents as may be requested by Abenaki or its counsel in order that good and marketable title to the Purchased Assets shall pass from Rosebrook to Abenaki, and shall cooperate in causing the owner to convey such Purchased Assets as may be necessary and appropriate;

(b) All of Rosebrook's interest in the Assumed Contracts and any other leases, contracts, commitments, agreements and rights relating to the Purchased Assets, with

such assignments thereof and consents to assignments as are necessary to enable Rosebrook to convey to Abenaki the benefit of the same;

(c) Certificate of Rosebrook's and REDUS's existence and good standing to do business in the state of New Hampshire Secretary of State;

(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 a duly authorized officer or manager of Rosebrook and REDUS, respectively, certifying (i) adoption of resolutions of the board of Rosebrook approving and authorizing the Agreement and the transactions contemplated hereby, and (ii) the incumbency of the officers or managers of Rosebrook and REDUS executing this Agreement and other documents delivered pursuant to this Agreement;

(f) A certificate signed by a duly authorized officer or manager of Rosebrook and REDUS, dated as of the Closing Date, certifying that (i) all of the respective representations and warranties of Rosebrook and REDUS hereunder and as reflected in the certificate are true and accurate on and as of the Closing Date, and (ii) that all the respective covenants of Rosebrook and REDUS have been duly performed on and as of the Closing Date;

(g) Originals or copies, as the parties may reasonably agree, of all of Rosebrook's current business records, books and other data relating to the Purchased Assets, whether electronic, paper or in other media, and if copies with the same format, data, and functionality as the originals;

(h) All of Rosebrook'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 Abenaki of the full benefit of the same;

(i) Termination or waiver by REDUS, in a form satisfactory to Abenaki, in connection with REDUS's right to acquire and receive an assignment and transfer of all shares of equity ownership in Rosebrook;

(j) Evidence to be provided by REDUS and acceptable to Abenaki of termination or waiver of the special membership rights accorded to Capacity Control Members of RWSC as provided by the Articles of Incorporation of RWSC.

(k) Rosebrook shall have made all filings with and notifications of governmental authorities, regulatory agencies and other entities required to be made by Rosebrook in connection with the execution and delivery of this Agreement, the performance of the transactions contemplated hereby; and Rosebrook and Abenaki shall have received all authorizations, waivers, consents and permits, in form and substance reasonably satisfactory to Abenaki, from all third parties, including, without limitation, applicable governmental authorities, regulatory agencies, including the PUC, lessors, lenders and contract parties, required to permit the consummation of the transactions

contemplated by this Agreement, and in connection with the transfer of Purchased Assets or Rosebrook'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

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

3.4 Closing Deliveries by Abenaki. At the Closing, Abenaki will deliver to Rosebrook and REDUS the following items:

(a) The Purchase Price, which shall be paid by Abenaki to REDUS, as assigned to REDUS and directed by Rosebrook, in the manner set forth in Section 2;

(b) Certificate of the Secretary of Abenaki certifying (i) adoption of resolutions of the Board of Directors of Abenaki approving and authorizing the Agreement and the transactions contemplated hereby, (ii) the incumbency of the officers of Abenaki executing this Agreement and or the other documents delivered pursuant to this Agreement, as applicable;

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

(d) All other agreements, documents, instruments or writings as may be required to be delivered by Abenaki at or prior to the Closing Date pursuant to the terms of this Agreement, or as may reasonably be requested by Rosebrook or its counsel.

#### **SECTION 4. REPRESENTATIONS AND WARRANTIES OF ROSEBROOK.**

Rosebrook makes the following representations and warranties to Abenaki, which shall survive the closing:

4.1 Making of Representations and Warranties. As a material inducement to Abenaki to enter into this Agreement and consummate the transactions contemplated hereby, Rosebrook hereby makes to Abenaki the representations and warranties contained in this Section 4.

4.2 Corporate Organization and Qualifications of Rosebrook. Rosebrook is a corporation duly organized, validly existing and in good standing under the laws of the State of New Hampshire. Rosebrook 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 Rosebrook. "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 Rosebrook as amended to date, certified by Rosebrook's Secretary, copies of which have previously been delivered to Abenaki, are true, complete and correct copies of such documents as in effect as of the date of this Agreement. Rosebrook is not in violation of any term of its Articles of Incorporation or Bylaws.

4.3 Authority. Rosebrook has full power and authority (corporate and other) to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by the members of Rosebrook and no other proceedings on the part of Rosebrook are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Rosebrook, and, assuming this Agreement constitutes a valid and binding agreement of Abenaki, this Agreement constitutes a valid, legal and binding obligation of Rosebrook, and is enforceable against Rosebrook in accordance with its 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.

4.4 Title and Related Matters. Upon the receipt and delivery of the waiver from the owner of REDUS, Rosebrook is the legal owner of, and has good, marketable and transferable title to, and subject to applicable governmental regulation, the power and right to sell, assign, transfer and deliver, all of the Purchased Assets, free and clear of all liens, pledges, mortgages, security interests, conditional sales contracts, or other encumbrances or charges of any kind and nature whatsoever. The Purchased Assets shall be conveyed as is, where is with all faults.

4.5 Legal Proceedings. Except as set forth on Schedule 4.5, there are no claims, actions, proceedings or investigations pending or, to the best of Rosebrook's knowledge and belief, threatened against or relating to Rosebrook, or any of the Purchased Assets before any court, governmental or regulatory authority or body acting in an adjudicative capacity. Rosebrook is not subject to any outstanding judgment, rule, order, writ, injunction or decree of any court, governmental or regulatory authority which could interfere with or prevent the use of any of the Purchased Assets or the Business.

4.6 Insurance. All of Rosebrook's tangible assets are insured with respect to loss due to fire and other risks and Rosebrook has maintained business liability coverage in accordance with good industry practice and in amounts and with types of coverage adequate to insure fully against risks to which Rosebrook and its assets are normally exposed in the operation of the Business. All such policies of insurance are written on an "occurrence" basis or Rosebrook and its affiliates have acquired "tail" coverage to provide coverage against all claims and losses that may have resulted from losses arising prior to the Closing or from acts or omissions of

Rosebrook, its affiliates, employees, agents, and contractors, including specifically, without limitation, all claims, losses, and damages arising from damage to customers or other persons, and damage to property owned by customers or other persons as a result of water or sewer utility operations, regarding which Rosebrook has provided notice to the applicable insurer. All such coverage has been written by insurers authorized to issue coverage in New Hampshire and with an A+ rating or better from A.M. Best. Neither Rosebrook, nor any officer, supervisory employee or director of Rosebrook, 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.

4.7 Taxes. All tax returns required to be filed by Rosebrook 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 Rosebrook with respect to the Business or the Purchased Assets, 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 Rosebrook associated with the Purchased Assets or the Business for any period.

4.8 Contracts. To Rosebrook's knowledge, all Assumed Contracts are valid and in full force and effect, and Rosebrook is operating in compliance therewith. Rosebrook has not received any notice of a default or alleged default of any Assumed Contract. Rosebrook has no knowledge of conditions or facts which with notice or passage of time, or both, would constitute a default under any Assumed Contract. In addition, except as set forth on Schedule 4.8, Rosebrook is not a party to or subject to:

- (a) Any contract or agreement which by its terms does not terminate at the Closing or is not terminable without penalty by Rosebrook or any successor or assign after the Closing;
- (b) Any contract or agreement for the sale or lease of the Purchased Assets;
- (c) Any contract containing covenants limiting the freedom of Rosebrook to consummate the transactions contemplated in this Agreement; or
- (d) Any license agreement (as licensor or licensee) used in connection with the Business.

4.9 Compliance with Laws. To Rosebrook's knowledge, Rosebrook has complied with and is not in default under, or in violation of, any laws, statutes, ordinances, rules, regulations, judgments or orders (including, without limitation, any health or safety laws, rules or regulations) applicable to its operations, business or properties as presently constituted, which default or violation could have a Material Adverse Effect on the Purchased Assets and the Business.

#### 4.10 Environmental Matters.

(a) Rosebrook 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 Rosebrook or the Purchased Assets. There is no Environmental Claim pending or, to the knowledge of Rosebrook, threatened against Rosebrook. 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 Rosebrook.

(b) “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 Rosebrook, or (ii) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law.

(c) “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.

4.11 Disclosure. No representation or warranty of Rosebrook contained in this Agreement, and no statement contained in any certificate, schedule, list or other writing furnished to Abenaki pursuant to the provisions of this Agreement, contains any untrue statement of material fact or omits any material fact necessary to make the statements herein or therein not misleading.

4.12 Broker Fee. Neither Rosebrook nor any of its affiliates have incurred any obligation or liability, contingent or otherwise, for brokerage or finder’s fees in connection with the sale of the Business or the Purchased Assets, or otherwise in connection with the transaction contemplated by this Agreement, or if any is claimed, Rosebrook and its affiliates shall indemnify and hold Abenaki harmless on account of any commission claimed on account of Rosebrook or its affiliates.

### SECTION 5. REPRESENTATIONS AND WARRANTIES OF REDUS.

REDUS makes the following representations and warranties to the Abenaki, which shall survive the closing:

5.1 Organization. REDUS is a New Hampshire limited liability company, duly organized, validly existing and in good standing under the laws of the State of New Hampshire and has all requisite power and authority to own and operate its properties and to carry on its business as it is now being conducted.

5.2 Authority of REDUS. REDUS has full power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by the REDUS's board or member(s) and no other proceedings on the part of REDUS are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by REDUS and, assuming this Agreement constitutes a valid and binding agreement of Rosebrook and Abenaki, is enforceable against REDUS in accordance with its 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.

5.3 Reliance. Except as set forth herein, REDUS has not relied and shall not rely upon any oral or written statements or representations made by Abenaki or its personnel or agents and acknowledges that no employee or representative of Abenaki has been authorized to make any statements or representations.

5.4 Broker Fee. REDUS has not incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agents' commissions or other similar payments in connection with the transaction contemplated by this Agreement or, if any is claimed, on account of REDUS's actions, will indemnify and hold Abenaki harmless on account of any such claim.

## **SECTION 6. REPRESENTATIONS AND WARRANTIES OF ABENAKI.**

Abenaki makes the following representations and warranties to Rosebrook and REDUS, which shall survive the closing:

6.1 Organization. Abenaki is a New Hampshire corporation, duly organized, validly existing and in good standing under the laws of the State of New Hampshire and has all requisite corporate power and authority to own and operate its properties and to carry on its business as it is now being conducted.

6.2 Authority of Abenaki. Abenaki has full power and authority (corporate and other) to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Abenaki's Board of Directors and no other corporate proceedings on the part of Abenaki are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and

validly executed and delivered by Abenaki and, assuming this Agreement constitutes a valid and binding agreement of Rosebrook and REDUS, is enforceable against Abenaki in accordance with its 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.

6.3 Reliance. Abenaki has relied and shall continue to rely solely on its own investigation of the Business and the rights associated therewith. Except as set forth herein, Abenaki has not relied and shall not rely upon any oral or written statements or representations made by Rosebrook or REDUS, or their respective personnel or agents and acknowledges that no employee or representative of Rosebrook or REDUS, respectively, has been authorized to make any statements or representations.

6.4 Financing. Abenaki expressly agrees and acknowledges that Abenaki's obligations hereunder are not in any way conditional upon, or qualified by, Abenaki's ability to obtain financing of any type or nature whatsoever (i.e., whether by way of debt, financing or equity investment or otherwise) to consummate the transactions contemplated hereby.

6.5 Broker Fee. Abenaki has not incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agents' commissions or other similar payments in connection with the transaction contemplated by this Agreement or, if any is claimed, on account of Abenaki's actions, will indemnify and hold Rosebrook and REDUS harmless on account of any such claim.

## SECTION 7 COVENANTS OF PARTIES

### A. Covenants of Rosebrook and REDUS.

7.1 Making of Covenants and Agreements. Rosebrook and REDUS hereby make the respective covenants and agreements set forth in this Section 7, each of which is an independent obligation of Rosebrook and REDUS respectively, each of which is independently enforceable against Rosebrook and REDUS respectively, and each of which shall survive Closing.

7.2 Consummation of Agreement. Rosebrook and REDUS 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, Rosebrook and REDUS will obtain prior to the Closing all necessary authorizations or approvals.

7.3 Cooperation of Rosebrook and REDUS. Rosebrook and REDUS shall cooperate with all reasonable requests of Abenaki and Abenaki's counsel in connection with the consummation of the transactions contemplated hereby. Rosebrook shall be responsible for and timely satisfy all liabilities, payables, and obligations related to the Business and the Purchased Assets due and owing or accrued for the period prior to the Closing Date. Rosebrook shall cooperate in the collection of all accounts receivable related to the Business and shall account for

and pay to Abenaki all funds received for any accounts receivable related to the Business for the period after the Closing Date.

7.4 PUC Petition. Promptly after execution of this Agreement by the parties, but not later than thirty (30) days following the effective date of this Agreement, Abenaki shall prepare and file with the PUC a petition for approval of the proposed transfer of Purchased Assets contemplated by this Agreement. Abenaki shall prosecute such petition, and Rosebrook and REDUS will cooperate and fully participate in the proceeding relating to such petition. Abenaki shall pay all costs and expenses of said petition and prosecution, except for (i) REDUS's and Rosebrook's respective attorneys' fees, and (ii) REDUS's and Rosebrook's respective costs or fees associated with providing testimony or responding to data requests.

7.5 Neither Rosebrook nor REDUS shall look to Abenaki for any claims, liabilities, damages or costs arising from the obligations of Rosebrook to REDUS or REDUS to Rosebrook (or in each instance any affiliate of Rosebrook or REDUS respectively).

B. Additional Covenants of Rosebrook.

7.6 Taxes and Tax Returns. Rosebrook, 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 Rosebrook 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 Rosebrook attributable to periods ending on or before the Closing or relating to the operation of the Business and the sale of the Purchased Assets (including any reported under the installment method).

C. Covenants of Abenaki.

7.7 Prohibition on Use of Identity of REDUS or Rosebrook or Affiliates. Abenaki shall not institute any enforcement or legal action or proceeding in the name of REDUS or Rosebrook or any organization in any way affiliated with REDUS or Rosebrook, including without limitation Wells Fargo Bank, N.A (an "Affiliate"). Abenaki shall not use REDUS's or Rosebrook's or any Affiliate's name, or any name derived therefrom or confusingly similar therewith. Abenaki agrees and acknowledges that there may be no adequate remedy at law for a violation of the terms of this Section, and Rosebrook and REDUS shall have the right to seek the entry of an order by a court of competent jurisdiction enjoining any violation hereof.

## SECTION 8. CONDITIONS PRECEDENT TO CLOSING.

The obligations of each respective party under this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions:

8.1 Representations and Warranties. Rosebrook's, REDUS's and Abenaki's respective representations and warranties contained in this Agreement shall be true at and as of the time of Closing.

8.2 Performance of Agreements. Rosebrook, REDUS, and Abenaki shall each have performed and complied with all covenants and conditions required by this Agreement to be performed or complied with thereby prior to or at the Closing.

8.3 Receipt of NH Approvals. Abenaki shall have received the NH Approvals as defined in Section 3.2(a) hereof.

## SECTION 9. SURVIVAL/INDEMNIFICATION.

9.1 Survival. In addition to all obligations or covenants contained herein which expressly survive the Closing, all representations and warranties herein or in any exhibit, schedule or certificate delivered by any party incident to the transactions contemplated hereby shall survive the Closing for six (6) months. Warranties in conveyancing documents shall continue and survive the Closing as provided by law.

9.2 Indemnification by Rosebrook. Rosebrook will indemnify, defend and hold harmless Abenaki 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 Abenaki relating to, resulting from or arising out of the following:

- (a) The operation of the Business before the Closing Date;
- (b) Any breach by Rosebrook of any covenant, representation, warranty, or agreement of Rosebrook contained in this Agreement; or
- (c) Any and all liabilities and obligations of, or claims against Rosebrook or any of its affiliates not expressly assumed by Abenaki under this Agreement

9.3 Indemnification by REDUS. REDUS will indemnify, defend and hold harmless Abenaki 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 Abenaki relating to, resulting from or arising out of the following:

- (a) Any breach by REDUS of any covenant, representation, warranty, or agreement of REDUS contained in this Agreement.

9.4 Indemnification of Rosebrook by Abenaki. Abenaki will indemnify, defend and hold harmless Rosebrook 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 Rosebrook 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 Abenaki of any covenant, representation, warranty, or agreement of Abenaki contained in this Agreement.

9.5 Indemnification of REDUS by Abenaki. Abenaki will indemnify, defend and hold harmless REDUS 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 REDUS 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 Abenaki of any covenant, representation, warranty, or agreement of Abenaki contained in this Agreement.

9.6 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 Sections 9.2 -9.5 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 12.4 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. Indemnified Party may employ an attorney of its own selection to defend such Indemnified Party and may settle or compromise any claim arising under this Section 9 with the consent of the Indemnifying Party which consent shall not be unreasonably withheld. Indemnifying Party shall pay upon demand all of the reasonable costs and expenses of such defense. In addition, and notwithstanding any other provision of this Section 9, Indemnifying Party shall not, without the prior written consent of the Indemnified Party: (a) settle or compromise any action, suit, proceeding, or claim in which the Indemnified Party is named as a party or consent to the entry of any judgment in such a matter that does not include as an unconditional term thereof the delivery by the claimant or plaintiff to the Indemnified Party of a written release of the Indemnified Party (in form, scope and

substance satisfactory to the Indemnified Party in its sole discretion) from all liability in respect of such action, suit, or proceeding; or (b) settle or compromise any action, suit, proceeding, or claim in which an Indemnified Party is named as a party in any manner that may materially and adversely affect such Indemnified Party as determined by such Indemnified Party in its reasonable discretion.

(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.

9.7 Survival of Indemnification Obligations. The parties acknowledge and agree that the terms and conditions of this section shall expressly survive the Closing.

## SECTION 10. TERMINATION

10.1 If Abenaki fails or refuses to consummate the purchase of the Purchased Assets or any portion thereof pursuant to this Agreement at the Closing, Rosebrook's and REDUS's sole and exclusive remedy shall be the right of REDUS to retain the Earnest Money, as full, fixed, and liquidated damages, not as a penalty, the parties hereby acknowledging the difficulty of ascertaining damages in such a circumstance and agreeing that this remedy represents a reasonable and mutual attempt by Rosebrook, REDUS, and Abenaki to anticipate the consequence to Rosebrook and REDUS of such breach by Abenaki, whereupon this Agreement shall terminate. Thereafter, unless Abenaki breaches or is in default of this Agreement for other than a breach for failure or refusing to consummate the purchase of the Purchased Assets or any portion thereof, Abenaki, Rosebrook, and REDUS shall be relieved of further liability hereunder, at law or in equity, it being the agreement of the parties that Abenaki shall have no other liability or obligation for default hereunder, except for such indemnification, confidentiality, and other obligations as may, under the terms hereof, survive termination of this Agreement. In the event of any breach by Abenaki other than for Abenaki's failure or refusal to consummate the purchase of the Purchased Assets or any portion thereof pursuant to this Agreement at Closing, REDUS shall retain the Earnest Money and shall have all other rights and remedies provided hereunder at law or in equity as a result of any such breach or default by Abenaki under this Agreement.

10.2 If Rosebrook or REDUS, respectively, fails or refuses to consummate the sale of the Purchased Assets pursuant to this Agreement at the Closing or fails to perform any of Rosebrook's or REDUS's other respective obligations under this Agreement either prior to or at the Closing for any reason other than (i) the termination of this Agreement, or (ii) Abenaki's failure to perform Abenaki's obligations under this Agreement, on or prior to the Closing Date, then, (A) Abenaki shall have the right, and each of Rosebrook and REDUS acknowledge such right, to immediately seek enforcement of this Agreement by means of specific performance or injunctive relief, without any requirement to post a bond or other security, or (B) in the alternative, but in addition to any other rights at law and in equity, Abenaki may terminate this Agreement by giving written notice of the termination to Rosebrook and REDUS prior to or at the Closing, whereupon the Earnest Money shall be delivered to Abenaki, free of any claims by Rosebrook and REDUS. Thereafter, Abenaki, Rosebrook, and REDUS shall be relieved of further liability hereunder, except to the extent indemnification, confidentiality, and other obligations of Abenaki, Rosebrook, and REDUS survive termination.

10.3 If either REDUS, on the one hand, or Abenaki, on the other hand, becomes entitled to the Earnest Money upon termination of this Agreement in accordance with its terms, and if at such time Escrow Agent is holding the Earnest Money, Abenaki, Rosebrook, and REDUS covenant and agree to deliver a letter of instruction to the Escrow Agent directing disbursement of the Earnest Money to the party entitled thereto. If any party fails or refuses to sign or deliver such instruction letter when the other party is entitled to disbursement of the Earnest Money such party shall pay, upon the final order of a court with appropriate jurisdiction, all reasonable attorneys' fees and expenses (including, without limitation, court costs and fees and expenses of expert witnesses and other professionals) incurred by the party so entitled to the Earnest Money in connection with the recovery of the Earnest Money. This obligation shall survive termination of this Agreement.

## **SECTION 11. NON-DISCLOSURE AND CONFIDENTIALITY.**

Each of Abenaki, Rosebrook, and REDUS will keep Confidential Information (as hereinafter defined) confidential and will not disclose it to any person or entity, except for required disclosures: (a) to federal and state bank examiners and other regulatory officials having jurisdiction over the party; (b) to the party's Representatives (as hereinafter defined) who reasonably need to know such Confidential Information in connection with the performance of such party's obligation under this Agreement (it being understood that such Representatives shall be informed of the confidential nature of such Confidential Information and shall be required by the party to treat such Confidential Information confidentially); (c) as otherwise required by law or legal process; or (d) as otherwise authorized by the other parties in writing. If a party is requested to disclose any Confidential Information pursuant to subpart (c) above, such party shall make reasonable efforts to notify the other parties of the request, if lawfully permitted to do so, so that such other parties may attempt, if desired, to seek a protective order with regard to the disclosure of such Confidential Information. The confidentiality and nondisclosure provisions of this Section 11 shall not apply to any information that: (i) is or becomes generally available to the public other than as a result of a breach of this Agreement by a party or any Representative of a party; (ii) is or becomes available to a party or its Representatives from a source (other than one of the other parties) that is not known by the first party or its Representatives to be subject to a duty of confidentiality with respect thereto; or (iii) is or was independently developed by the party or its Representatives without using any Confidential Information. The confidentiality and non-disclosure provisions of this Section shall survive closing and terminate three (3) years from the date hereof.

For purposes herein, "Confidential Information" shall include, but not be limited to, the fact of negotiations between the parties for the purchase and sale of assets contemplated hereby, any versions of or excerpts from any draft documents associated with the transactions contemplated hereby, any communications between the parties in connection with such negotiations, any trade secrets or non-public information respecting Rosebrook or the Business, finances, marketing plans, strategies, methods, know-how, formulae, techniques, systems, processes, customer/account lists, projects, pricing methodologies, prospects, plans and proposals, in each case respecting Rosebrook, its affiliates, and the Business, whether disclosed prior to or during the negotiation of this Agreement. Also for purposes herein, "Representatives"

shall mean each party and its respective affiliates, and its and their respective directors, officers, members, managers, employees, agents, accountants, legal counsel, auditors, business consultants, appraisers, environmental consultants and similar professional advisors.

#### Miscellaneous Provisions.

11.1 Amendment and Modification. This Agreement may be amended, modified or supplemented only by written agreement of REDUS, Rosebrook and Abenaki.

11.2 Expenses. Unless otherwise expressly provided in this Agreement, whether or not this Agreement and the transactions contemplated hereby are consummated Abenaki, REDUS and Rosebrook will each pay their respective transactional expenses in connection with this Agreement and the transactions contemplated hereby.

11.3 Waiver of Compliance; Consents. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, covenant, representation, warranty, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, representation, warranty, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

11.4 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or mailed by overnight courier or registered or certified mail (return receipt requested), postage prepaid, to the parties at the following addresses (or at such other address for a party as shall be specified by like notice; provided that notices of a change of address shall be effective only upon receipt thereof):

(a) If to Rosebrook to:

ROSEBROOK WATER COMPANY, INC.  
with a copy to:  
Harper Marshall  
Devine Millimet  
111 Amherst Street  
Manchester, NH 03101

(b) If to REDUS at:

REDUS NH WATER CO., LLC,  
c/o Wells Fargo  
301 S. College St., 15th Floor  
Charlotte, NC 28202,  
MAC D1053-150

With a copy to:

Rolf Goodwin  
McLane, Middleton,  
Professional Association  
900 Elm Street, 10<sup>th</sup> Floor  
Manchester, NH 03101

(c) If to Abenaki to:

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

With copies to:

Peter W. Leberman, Esq.  
Upton & Hatfield, LLP  
10 Centre Street  
PO Box 1090  
Concord, NH 03302-1090

Justin C. Richardson, Esq.  
Upton & Hatfield, LLP  
159 Middle Street  
Portsmouth, NH 03801

11.5 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.

11.6 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.

11.7 Assignability; Binding Effect. This Agreement, or any specific obligation hereunder, shall only be assignable by Abenaki to a corporation or other entity controlled by or under common control with Abenaki upon written notice to REDUS and Rosebrook, and such assignment shall not relieve Abenaki of any liability hereunder. This Agreement may not be assigned by Rosebrook or REDUS without the prior written consent of Abenaki. 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.

11.8 Publicity. Except as otherwise required by applicable law or governmental authority, so long as this Agreement is in effect, none of Rosebrook, REDUS or Abenaki shall 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. REDUS, Rosebrook and Abenaki recognize that Abenaki may be required to disclose the filing and/or approval of this Agreement with the NH PUC, and that any party may be required to disclose the terms of this Agreement to its investors or regulators.

11.9 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.

11.10 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.

11.11 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.

11.12 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, or in the court in which any claim for which indemnification may be sought hereunder is brought against an indemnified party.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Rosebrook, REDUS and Abenaki have caused this Agreement to be signed effective as of the date first above written.

**ABENAKI WATER CO., INC.**

By: *Donald E. Vaughan*  
 Name: DONALD E. VAUGHAN  
 Title: CHAIRMAN/BOARD OF DIRECTORS  
 Duly Authorized  
 Date: 3/17/16

**ROSEBROOK WATER COMPANY, INC.**

By: *C. E. Adams*  
 Name: CHARLES E. ADAMS  
 Title: DIRECTOR  
 Duly Authorized  
 Date: 3/15/16

**REDUS NH WATER CO., LLC**

By: REDUS Properties Inc.  
 its Managing Member  
 Name: Adrienne Huffman  
 Title: Vice President  
 Duly Authorized  
 Date: 3/17/2016

Signature page -Purchase Agreement

Schedule 1.1Purchased Assets**1.1(b) Net Plant, Property and Equipment**

All real property rights and interests of the Rosebrook Water Company, Inc. located in Coos, Grafton, and Carroll Counties, NH, including all improvements, appurtenances, and contract rights associated with and to the foregoing real estate, including, without limitation, all real property rights and interests described in the following:

1. Quitclaim Deed from Institutional Investors Trust and Bretton Woods Corporation to Rosebrook Water Company, Inc., dated January 18, 1980, and recorded in the Coos County Registry of Deeds at Book 627, Page 76, conveying exclusive rights and easements.
2. Easement Deed from Bretton Woods Sky Area Limited Partnership to Rosebrook Water Company, Inc., dated August 25, 1988, and recorded in the Coos County Registry of Deeds at Book 734, Page 217, conveying exclusive right and easement
3. Easement Deed from GS Phoenix, LLC to Rosebrook Water Company, Inc., dated December 3, 1996, and recorded in the Coos County Registry of Deeds at Book 869, Page 357, conveying perpetual rights and easements on multiple parcels.
4. Amendment to Easement Agreement and Partial Release of Easement between Rosebrook Water Company, Inc. And GS Phoenix, LLC, dated April 24, 1997, and recorded in the Coos County Registry of Deeds at Book 874, Page 642, pertaining to easements recorded in Book 627, Page 76 and Book 869, Page 357.
5. Easement Agreement for Waterline Easement between Rosebrook Water Company, Inc. and Bretton Woods Land Co., LLC, dated December 4, 2007, and recorded in the Coos County Registry of Deeds at Book 1237, Page 33.
6. Easement Agreement for Waterline and Reservoir Easement between Rosebrook Water Company, Inc. and CNL Income Bretton Woods, LLC, dated December 5, 2007, and recorded in the Coos County Registry of Deeds at Book 1237, Page 50.

See also Groups 304, 307, 311, 320, 331, 333, 334, 335, and 339 on the NH Asset Detail of Rosebrook Water Company, Inc. attached here to as Schedule 1.1(b) (cont.) and Schedule 1.1(c).

**1.1(c) Office Equipment, Vehicles, and Other Tangible Property**

See Groups 341, 343, 346, and 347 on the NH Asset Detail of Rosebrook Water Company, Inc. attached here to as Schedule 1.1(b) (cont.) and Schedule 1.1(c).

**1.1(d) Assumed Contracts**

Management Service Agreements

1. Resort Waste Services Corp.
2. Omni Hotels Management Corp.

Propane Supply Agreement & Equipment Lease dated September 23, 2015.

2014-2017 WaterPoint Network Plan Agreement with 64seconds, Inc. dated December 19, 2014

**1.1(f) Contributions in Aid of Construction**

2015 Addition of \$296.08 (2 meters customer purchased)

Acct 271 – 2015 YE Balance \$448,711.14

**1.1(g) Construction Work in Process**

NONE

**1.1(h) Inventory**

2015 Acct 151 – Materials and Supplies: Total \$3,718.16

10 Meters: Total \$1,055.00

5 Meter Horns: Total \$312.60

1 Fire Hydrant: \$2,350.56

**1.1(k) Licenses and Permits**

2016 DES Permit to Operate

NH DOT Railroad Crossing Agreement (for 8” and 12” water lines at Nash and Sawyers location under the tracks and right of way).

Schedule 1.2

Excluded Assets

1.2(a) Rosebrook's cash on hand as of the Closing Date

1.2(b) Rosebrook's account receivable for periods prior to the Closing Date, irrespective of when collected.

Schedule 4.5 Legal Proceedings

Rosebrook is a party to a legal action with respect to the Water Hammer at Stickney Circle (Claim Number 20198740). The claim is covered by insurance and Acadia Insurance, the insurer, is handling the matter. Liberty Mutual has initiated subrogation claims for the amount of \$152,376.96. Acadia believes the liability for the loss rests with the product failure and defect, and Liberty Mutual (for Stickney) agrees. They have directed their claim to American Flow Control for the time being.

Schedule 4.8 Assumed Contracts

Rosebrook is a party to the WaterPoint Network Plan Agreement with 64seconds, Inc. dated December 19, 2014. Rosebrook represents that there are no pending claims for indemnification under said agreement from 64seconds, Inc. and Rosebrook is aware of no facts that would give rise to any such claim for indemnification under said agreement.



5500 South Quebec Street  
Greenwood Village, CO 80111  
800-542-8072  
www.cobank.com

April 8, 2016

Mr. Donald Vaughan, President and CEO  
New England Service Company, Inc.  
37 Northwest Drive  
Plainville, CT 06067

Dear Mr. Vaughan:

The following term sheet is for discussion purposes only, it does not represent a commitment to lend:

---

<b>Borrower:</b>	Abenaki Water Company ("Borrower")
<b>Guarantor:</b>	New England Service Company (the "Guarantor")
<b>Type of Credit Facilities:</b>	A secured term loan of up to 20 years and a maximum \$400,000 ("Loan").
<b>Purpose:</b>	To fund the purchase of Rosebrook Water Company.
<b>Availability:</b>	All funds to be advanced at closing.
<b>Interest:</b>	<p>In accordance with one or more of the following interest rate options, as selected by the Company:</p> <p><u>Weekly Quoted Variable Rate Option:</u> Under this option, balances may be fixed at a rate established by CoBank on the first "Business Day" (to be defined) of each week. The rate established shall be effective until the first Business Day of the next week. WQVR for the week of April 4, 2016 is 2.20%.</p> <p><u>LIBOR Option:</u> Under this option, rates can be fixed: (1) on two "Banking Days" (to be defined) notice; (2) on balances of \$100,000 or more; (3) for "Interest Periods" (to be defined) of 1, 2, 3, and 6 months; and (4) at the "LIBOR Rate" (to be defined) plus 1.50%.</p>

Quoted Fixed Rate Option: At one or more rates to be quoted by CoBank. Under this option, rates can be fixed: (1) on balances of \$100,000 or more; (2) for periods of, 6 months to the final maturity of the Loan; and (3) for each facility, on no more than 5 separate balances at any one time. As of April 8, 2016 a 5 year fixed rate is 2.94%, a 10 year fixed rate is 3.78% and a 20 year fixed rate is 4.29%. These fixed rates are based on a 20 year mortgage style amortization period.

Patronage: The above quoted interest rates are stated prior to the payment of patronage under CoBank's patronage program. Patronage will lower the effective interest rate by 75 basis points per annum based on the current program. The patronage program can be modified by a vote of CoBank's board of directors.

Interest will be calculated on the basis of a year consisting of 360 days and shall be payable monthly in arrears by the 20<sup>th</sup> day of the following month.

Notwithstanding the foregoing, during the continuance of a default, interest shall accrue at 2% in excess of the rates that would otherwise be in effect.

**Origination Fees:**

Two-thousand dollars payable at closing.

**Principal Repayment:**

In consecutive monthly installments, each due on the 20<sup>th</sup> of the month, with the first installment due on the 20<sup>th</sup> day of the second month following the month in which the loan is made. The amount of each installment shall be the same principal amount that would be due and payable if the loan was payable in level installments of principal and interest and such schedule was calculated using the "CoBank Base Rate" (to be defined) on the date of the loan agreement; provided, however, that if on the date the Loan is made, the Borrower fixes the rate of interest on the entire principal amount of the loan to the final maturity date thereof, then the rate utilized in calculating the amortization schedule shall be the rate of interest accruing on the loan.

**Prepayment:**

Balances bearing interest at the Weekly Quoted Variable Rate Option may be prepaid without premium. Balances bearing interest at either the LIBOR Option or Quoted Fixed Rate Option may be prepaid upon payment of a premium equal to the present

value of CoBank's "Funding Losses" (to be defined) plus a yield of .50% on a per annum basis.

<b>Capitalization:</b>	The loan will be capitalized in accordance with CoBank's bylaws and its capital plan. As an existing customer, no additional capital purchase is required.
<b>Collateral:</b>	The loan will be secured by a perfected first priority lien on and security interest in personal property, tangible and intangible, present and future assets of the Borrower.
<b>Documentation:</b>	The existing Master Loan Agreement (MLA) will remain in effect and cover this proposed loan. The MLA contains conditions precedent, representations and warranties, covenants, events of default, remedies upon default, and various miscellaneous provisions.
<b>Representations and Warranties:</b>	As per the existing MLA subject to any required amendments for this new loan.
<b>Financial Covenants:</b>	As per the existing MLA.
<b>Negative Covenants:</b>	As per the existing MLA.
<b>Reporting Requirements:</b>	As per the existing MLA.
<b>Expenses and Indemnification:</b>	The Borrower will indemnify CoBank against all losses, liabilities, claims, damages, or expenses relative to the Credit Facility or the use of loan proceeds. All reasonable costs and expenses incurred by CoBank in connection with this transaction including, without limitation, all legal fees and expenses for CoBank's legal counsel, shall be paid by the Borrowers. CoBank will document the loans in house so no external legal fees are anticipated for loan documentation.
<b>Defaults:</b>	As per the existing MLA.

## EXHIBIT A

## DEFINITIONS

**"Debt Service Coverage Ratio"** shall mean the ratio of: (1) net income (after taxes), plus depreciation expense, amortization expense, and interest expense, minus non-cash patronage, and non-cash income from subsidiaries and/or joint ventures; to (2) all principal payments due within the period on all "Long-Term Debt" (as defined below) plus interest expense (all as calculated on a consolidated basis for the fiscal year in accordance with GAAP consistently applied or the appropriate standards of the regulatory agency having jurisdiction over the Company). For purposes hereof, "Long-Term Debt" shall mean, for the Company, on a consolidated basis, the sum of (a) all indebtedness for borrowed money, (b) obligations which are evidenced by notes, bonds, debentures or similar instruments, and (c) that portion of obligations with respect to capital leases or other capitalized agreements that are properly classified as a liability on the balance sheet in conformity with GAAP or which are treated as operating leases under regulations applicable to them but which otherwise would be required to be capitalized under GAAP, in each case having a maturity of more than one year from the date of its creation or having a maturity within one year from such date but that is renewable or extendible, at the Company's option, to a date more than one year from such date or that arises under a revolving credit or similar agreement that obligates the lender(s) to extend credit during a period of more than one year from such date, including all current maturities in respect of such indebtedness whether or not required to be paid within one year from the date of its creation.

**Total Debt to Capitalization Ratio.** The ratio of "Total Debt" to "Total Capitalization" both as defined below. (1) "Total Debt" shall mean, for the Company, on a consolidated basis, the sum of (a) all indebtedness for borrowed money, (b) obligations which are evidenced by notes, bonds, debentures or similar instruments, and (c) that portion of obligations with respect to capital leases or other capitalized agreements that are properly classified as a liability on the balance sheet in conformity with GAAP or which are treated as operating leases under regulations applicable to them but which otherwise would be required to be capitalized under GAAP; and (2) "Total Capitalization" shall mean Total Debt plus "Net Worth" (as defined below). For purposes hereof, "Net Worth" shall mean the difference between total assets less total liabilities (both as determined on a consolidated basis in accordance with GAAP consistently applied or the appropriate standards of the regulatory agency having jurisdiction over the Company), except that in determining Total Capitalization, contributions in aid of construction, advances for construction, customer deposits, or similar items reducing rate base calculations shall be excluded.

**EXHIBIT C**  
**ABENAKI WATER CO. BEFORE AND AFTER ACQUISITION OF ROSEBROOK WATER CO.**  
**STATEMENTS OF CAPITALIZATION AS OF DECEMBER 31, 2015**

**ABENAKI WATER COMPANY**  
**STATEMENT OF CAPITALIZATION AS OF DECEMBER 31, 2015**

	Balances	As a % of Capitalization	Cost	Weighted Cost
Capitalization:				
Long-term Debt	252,986	39.24%	4.13%	1.62%
Equity	391,712	60.76%	9.75%	5.92%
	<u>644,698</u>			<u>7.54%</u>

**ROSEBROOK WATER COMPANY**  
**STATEMENT OF CAPITALIZATION AS OF DECEMBER 31, 2015**

	Balances	As a % of Capitalization	Cost	Weighted Cost
Capitalization:				
Long-term Debt	-	0.00%	0.00%	0.00%
Equity	486,441	100.00%	9.60%	9.60%
	<u>486,441</u>			<u>9.60%</u>

**ABENAKI AND ROSEBROOK MERGED**  
**STATEMENT OF CAPITALIZATION AS OF DECEMBER 31, 2015**

	Balances	As a % of Capitalization	Cost	Weighted Cost
Capitalization:				
Long-term Debt	652,986	50.45%	4.20% *	2.12%
Equity	641,212	49.55%	10.75% **	5.33%
	<u>1,294,198</u>			<u>7.45%</u>

\* Estimated cost of debt including existing and new loan

\*\* Estimated ROE pending current rate filing

**Exhibit D**  
**ABENAKI WATER COMPANY**  
**PROJECTED CAPITAL PROGRAM FOR ITS ROSEBROOK SYSTEM\***  
**ESTIMATED COMPANY INVESTMENTS FROM ACQUISITION FORWARD IN PRESENT DAY DOLLARS**  
**March 25, 2016**

<b>Project No.</b>	<b>PROJECT DESCRIPTION AND ESTIMATED START AND FINISH DATES</b>	<b>2017</b>	<b>2018</b>	<b>Comments</b>
1	Purchase meters	\$40,000	\$40,000	Replace old, obsolete meters with radio reads for accuracy and minimizing conventional reading expense. Enable more consistent cyclical reading dates; minimize estimated bills.
2	Install meters	\$10,000	\$10,000	Install new meters in two year phased approach
3	Conduct engineering study to evaluate feasible options to lower system gradient. Install certain pressure reducing valves as a first step in program.	\$20,000	\$25,000	Current system pressure is excessive and needs to be reduced.
4	Lower certain company owned services and install curb stops.	\$20,000	\$20,000	System has a history of service freezeups and unknown curbstop locations.
5	Install meter database and billing software	\$7,500		Replace obsolete and inadequate software and install periodic updates; acquire handheld data collection computer.
6	Purchase office equipment for local office	\$4,500		Equipment such as computer printer, etc.
8	Develop and install Company website	\$2,500		Provide system information and provide online payment service to customers
9	Install telephone system	\$1,500		Facilitate communications for customer service by Abenaki Water Company.
	<b>Total Utility Plant Improvements*</b>	<b>\$106,000 **</b>	<b>\$95,000</b>	

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

\*\* Source of Funds

Depreciation	\$50,000
1/2 Net Income	\$25,000
Borrowings	<u>\$31,000</u>
Total	\$106,000

## Exhibit E

### Existing and Proposed Rates Allowing a Transition to Monthly Billing

#### Meter Charge

Size of Meter	Present Quarterly Charge	Proposed Monthly Charge
5/8"	\$ 29.72	\$ 9.91
1"	\$ 98.08	\$ 32.69
2"	\$ 318.01	\$ 106.00
3"	\$ 692.48	\$ 230.83
6"	\$ 2,772.88	\$ 924.29

#### Rate for Quantity of Water Used

	Present Quarterly Charge	Proposed Monthly Charge
Per 100 gals.	\$ 5.33	\$ 5.33

**EXHIBIT F**  
**ABENAKI WATER CO. BEFORE AND AFTER ACQUISITION OF ROSEBROOK WATER CO.**  
**BALANCE SHEETS AS OF DECEMBER 31, 2015\***

	Abenaki Water Co. 12/31/2015	Rosebrook Water Co. 12/31/2015	Transaction	New Abenaki Water Co. 12/31/2015
<b>ASSETS</b>				
Utility plant	\$1,155,736	\$ 1,339,030	-	\$2,494,766
Less: Accumulated Depreciation	494,424	623,108	-	1,117,532
<b>Net Utility Plant</b>	<b>661,312</b>	<b>715,922</b>		<b>1,377,234</b>
Current Assets:				
Utility investments	2,314	-		2,314
Cash	26,372	38,837	67,250	(1) 132,459
Accounts receivable	9,325	(2,252)	2,252	(3) 9,325
Materials and supplies	7,316	3,718	-	11,034
Prepaid expenses	2,000	16,989	-	18,989
Misc. current and accrued assets	21,115	65,538	(65,538)	(3) 21,115
<b>Total current assets</b>	<b>68,442</b>	<b>122,830</b>		<b>195,236</b>
Other assets:				
Preliminary survey & investigation	-	-	-	-
Other deferred debits	187,703	25,342	159,500	(2) 372,545
Unfunded Deferred Taxes	-	-	-	-
<b>Total other assets</b>	<b>187,703</b>	<b>25,342</b>		<b>372,545</b>
<b>TOTAL ASSETS</b>	<b>917,457</b>	<b>864,094</b>	<b>163,464</b>	<b>1,945,015</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
Stockholders' Equity:				
Common stock, no par	-	1,000	(1,000)	(3) -
Additional paid-in capital	339,521	475,500	(226,000)	(3),(4) 589,021
Retained earnings	52,191	9,941	(9,941)	(3) 52,191
<b>Total Stockholder's Equity</b>	<b>391,712</b>	<b>486,441</b>		<b>641,212</b>
Long-term debt				
	252,986	-	400,000	(5) 652,986
<b>Total Long-term debt</b>	<b>252,986</b>	<b>-</b>		<b>652,986</b>
Current Liabilities:				
Line of Credit Payable	50,000	-		50,000
Accounts payable	49,392	(1,467)	1,467	(3) 49,392
Accrued taxes	(2,498)	22	(22)	(3) (2,498)
Accrued interest	-	-	-	-
Other current liabilities	14,795	1,040	(1,040)	(3) 14,795
<b>Total current liabilities</b>	<b>111,689</b>	<b>(405)</b>		<b>111,689</b>
Deferred Credits:				
Deferred income taxes and credits	35,900	81,751	-	117,651
Customer construction advances	-	-	-	-
Other deferred credits	-	-	-	-
Contributions in aid of construction - Net	125,170	296,307	-	421,477
<b>Total deferred credits</b>	<b>161,070</b>	<b>378,058</b>		<b>539,128</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$917,457</b>	<b>\$864,094</b>	<b>163,464</b>	<b>\$1,945,015</b>

\* Using 2015 Audited Financial Statements for Abenaki and internal financials provided for Rosebrook.

(1) Net of estimated financing costs of \$19,500, plus \$100,000 cash infusion for expected capital less adjustment to balance.

(2) Includes estimated financing cost of \$19,500, estimated acquisition cost of \$100,000, and estimated acquisition premium of \$40,000.

(3) Pre-transaction amount from RWC does not transfer to Abenaki.

(4) Includes acquisition and financing costs, plus the purchase price (est. \$430,000) and cash infusion, less the loan (est. \$400,000).

(5) Approximate financing of \$400,000.

**EXHIBIT G**  
**ABENAKI WATER CO. BEFORE AND AFTER ACQUISITION OF ROSEBROOK WATER CO.**  
**INCOME STATEMENTS AS OF DECEMBER 31, 2015\***

	Abenaki Water Co. 12/31/2015	Rosebrook Water Co. 12/31/2015	Transaction	New Abenaki Water Co. 12/31/2015
<b>REVENUES:</b>				
Total Sales	\$276,232	\$413,227		\$689,459
<b>TOTAL OPER REVENUES</b>	<b>276,232</b>	<b>413,227</b>		<b>689,459</b>
<b>OPERATING EXPENSES:</b>				
Operation and Maintenance	179,966	304,873		484,839
Depreciation	34,718	49,498		84,216
Amortization of CIAC and Utility Plant Acquisition Adj.	(6,557)	(21,543)		(28,100)
Taxes other than Income	19,574	19,827		39,401
Income Taxes	2,800	8,727		11,527
<b>TOTAL OPER EXPENSES</b>	<b>230,501</b>	<b>361,382</b>		<b>591,883</b>
<b>UTILITY OPER INCOME</b>	<b>45,731</b>	<b>51,845</b>		<b>97,576</b>
<b>OTHER INCOME (DEDUCTIONS)</b>				
Interest and Dividend Income	2,714	211		2,925
AFUDC	0	0		0
Non-Utility Income	0	0		0
Gain (Loss) from Disposition of Non-utility Property	0	0		0
Miscellaneous Non-utility Expenses	0	0		0
Interest Expense	(12,210)	(91)		(12,301)
<b>TOTAL OTHER INCOME (DED)</b>	<b>(9,496)</b>	<b>120</b>		<b>(9,376)</b>
<b>NET INCOME</b>	<b>\$36,235</b>	<b>\$51,965</b>		<b>\$88,200</b>

\* Using 2015 Audited Financial Statements for Abenaki and internal financials provided for Rosebrook.

No adjustments were made for the transaction, however proforma adjustments would likely include increased interest expense and a reduction of O&M expenses due to synergies achieved.

NHPUC No. ~~2~~1- Water

~~ROSEBROOK~~ABENAKI WATER COMPANY, INC.

Carroll, NH

TARIFF

For

WATER SERVICE

In

THE STATE OF NEW HAMPSHIRE

Issued: ~~March 9, 2012~~

Issued by: ~~Michael Brunetti~~ Donald Vaughan

Effective:

Title: ~~Director~~ Chairman

NHPUC NO. 2-1 - Water  
~~Rosebrook~~ Abenaki Water Company, Inc.  
Carroll, NH

Original Page 1

## SERVICE AREA

The territory authorized to be served by ~~Rosebrook~~ Abenaki Water Company and to which this tariff applies is as follows:

A limited area in the Towns of Carroll, Bethlehem and the incorporated Township of Crawford's Purchase as shown on a map filed separately with the Commission and incorporated in this tariff by reference.

## DEFINITIONS

Approved backflow device - A backflow prevention device that has been manufactured to allow for accurate testing and inspection by a Rosebrook Water Company licensed operator so as to allow verification of performance.

Backflow - The flow of unwanted substances into the water distribution pipes of a potable supply of water.

Backflow prevention device - A device that is designed to, and which in practice does, prohibit unwanted substances from flowing into the water distribution pipes of a potable supply of water.

Bypass - Any piping arrangement installed so that water flows around rather than through a meter, pressure reducing valve or backflow prevention device.

Company - Employee or Representative of Rosebrook Water Company, Inc.

Cross-connection - Any actual or potential physical connection between public water supply and a potential source of contamination that would allow water or contaminants to be drawn back into the water system.

Developer - A person or entity proposing a new subdivision or other type of development.

Exterior shut off ('Curb Stop') - water shut off controlled by the Company.

Individual Connection - a connection having a securable water supply valve that shall only be opened or closed by an employee or agent of the Company.

Premises - includes the building, common area, and lawns.

NHPUC NO. 2-1 - Water

Original Page 2

Rosebrook-Abenaki Water Company, Inc.Carroll, NH**TERMS AND CONDITIONS****1. Service Pipe.****a. Location.**

(1) Single Family Homes: Service pipe connections will be made in the street which is nearest to the premises served.

(2) Condominiums and Other Multi-Family Residences: One main service pipe may serve the total structure with individual connections to all units therein from a distribution manifold located on common property owned by the property owners' association.

(3) Commercial Buildings: Service pipe connections will be made in the street which is nearest to the premises served and one main service pipe may serve the total structure with individual connections to all businesses/units therein from a distribution manifold.

**b. Installation, Ownership, and Maintenance.**

(1) Single Family Homes: All service pipe ~~from the main to the property line or common areas up to and including the premises' exterior shut-off valve~~ shall be owned and maintained by the Company. From the ~~exterior shut-off valve~~ property line or common area to the premises served, the service pipe shall be installed, owned and maintained by the customer(s). Such installations shall be in a manner approved by the Company in writing prior to construction and shall be no less than 3/4 inch inside diameter. All new exterior shut-off valves shall be placed at the property line.

(2) Condominiums and Other Multi-Family Residences: All service pipes ~~from the main to the property line or common area up to and including the unit's exterior shut-off valve~~ shall be owned and maintained by the Company. ~~For condominiums, the space from the exterior shut-off valve to the premises shall belong to the association. From the property line or common area to the premise served the service pipe shall be installed, owned and maintained by the association or customer(s).~~

(3) Commercial Building: All service pipes ~~from the main to the property line or common area up to and including the premises' exterior shut-off valve~~ shall be owned and maintained by the Company. From the ~~property line or common area~~ exterior shut-off valve to the premises served, the service pipe shall be installed, owned and maintained by the customer(s).

c. Joint Use of Service Pipe Trench. No service pipes shall be laid in the same trench with gas pipe, sewer pipe or any other facility of a public utility, nor within three (3) feet of any open excavation or vault.

d. Temporary Service Connection. Temporary service is one installed to any building or trailer not placed on a permanent foundation, or to a garden or for other temporary use. The whole cost of installation from the nearest available main, and maintenance, shall be at the customer's expense.

**2. Winter Construction**

Ordinarily, no new service pipes or extensions of main will be installed during winter conditions (when frost is in the ground) unless the customer shall defray all extra expense occasioned by such installation.

**3. Maintenance of Plumbing.**

Customers shall maintain the plumbing and fixtures within their own premises [e.g. building, common areas and lawns] in good repair, free from leaks and protected from freezing, at their own expense. Failure to do so as soon as possible after a problem is detected may result in service disconnection. Any relocation of the service pipe on customer's premises due to

**NHPUC NO. ~~2-1~~ - Water****Original Page 3****Rosebrook-Abenaki Water Company, Inc.****Carroll, NH**

change in grade, relocation of grade or otherwise shall be at the customer's expense. In no event shall the company be responsible for any damage done by water escaping from the customer-owned portion of the service line.

**4. Meters.**

a. Use of Meters. All water service will be metered. The initial meter will be provided to the developer or homeowner by the Company. Subsequent owners will not be charged for a meter.

b. Size of Meter. The size of the meter will be determined by the Company.

c. Meter Setting. The customer shall provide a clean, dry, warm and accessible place for the installation of the meter, as nearly as possible at the point of entrance of the service pipe to the building. Owners shall install in the following order: pressure reducing valve, backflow preventer and meter, as shown on Attachment A. Owner shall contact Company prior to purchasing a pressure reducing valve to ensure it meets the Company requirement for sufficient PPSI ("psi"). Once accepted by the Company, the meter and setting shall become the property of the Company. The Company reserves the right to charge customers for all expenses involved in water hook-ups. A meter, once set, will be relocated only at the customer's expense. No meter shall be installed if the percent error of registration is greater than that allowed by commission rules.

d. Customers shall also install a remote reader outside of their condo/home. This reader will be provided by, owned by and maintained by the Company ("maintained" defined as replacement once the unit is no longer functional). The installation must be done by a professional during construction. If any unit or subscriber does not have a reader installed within 120 days from written notification the Company will install one at owner's expense. If owner does not permit the Company to install reader then service may be turned off. Customers must keep outside remote readers accessible, including cleared of snow, landscaping and any other obstruction.

e. Meter Boxes. When the customer fails or neglects to furnish a suitable location for a meter inside his building or where, for other reasons, it is necessary or expedient to locate the meter in an underground box or vault, the customer shall bear the expense of same. Any relocation of such underground box or vault shall be at the customer's expense.

f. Testing and Repairs. The Company shall be responsible for all meter testing. Meter repairs or replacements necessitated by ordinary wear will be paid for by the Company; those caused by freezing, hot water or by other fault of the customer will be charged to the customer.

g. Auxiliary Meters. If additional or auxiliary meters are desired by the customer or required for showing subdivision of the supply, they shall be furnished, installed and maintained at the customer's expense.

h. The Company reserves the right to remove and to test any meter at any time and to substitute another meter in its place. In the case of a disputed account involving the question as to the accuracy of the meter, such meter will be tested by the Company upon request of the applicant. The fees for testing such meters will be: \$225.00 for a 5/8" meter, \$250.00 for a 1" meter or at market rate, whichever is greater. Any meter in excess of 1" will not be sent out for testing but will instead be tested in place. The cost will be \$500 for the first meter, \$300 for each subsequent meter tested on the same day at the same location - all costs for testing these meters will be a direct pass through to the customer. All fees are payable in advance of the test. In the event the meter so tested is found to have an error in registration in excess of three percent (3%)

**NHPUC NO. 2-1 - Water**

Original Page 4

**Rosebrook-Abenaki Water Company, Inc.**  
**Carroll, NH**

at any rate of flow within normal flow limits, to the prejudice of the customer, the fee advanced for testing will be refunded and the current bill rendered, based on the last reading of such meter. This correction shall apply to both over-and-under registrations.

i. The customer shall permit no one who is not an agent of the Company, to remove, inspect, or tamper with the meter or other property of the Company on his premises. The customer shall notify the Company, as soon as it comes to his knowledge, of any injury to, or any cessation in registration of the meter.

**5. Hot Water Tanks.**

All customers having direct pressure hot water tanks or appliances must place proper automatic vacuum and relief valves in the pipe system to prevent any damage to such tanks or appliances should it become necessary to shut off the water on the street mains or service pipe. Service will be provided to such direct pressure installations only at the customer's risk and in no case will the Company be liable for any damage occasioned thereby.

**6. Restricted Use.**

Customers shall prevent all unnecessary waste of water. They shall not allow it to run to prevent freezing or longer than necessary for proper use. When necessary to conserve supply, the Company may restrict or prohibit the use of hand hoses, lawn sprinklers and other non-essential water consuming equipment.

**7. Cross Connections.**

No cross connection between the public water system and any non-potable supply will be allowed unless protected by a system specifically designed for this purpose and the connection is approved by the Company and by the State of New Hampshire. No connection capable of causing back-flow between the public water supply system and any plumbing fixture, device or appliance or between any waste outlet or pipe having direct connection to waste drains will be permitted. If the Company discovers such a connection, service will be discontinued immediately.

A protective device shall be installed wherever an approved cross connection of water systems exists and/or where a potential threat to the potability of the water system can be shown to exist. All such devices shall be located at the service entrance, and all water consumption within the premises shall pass through the protective device.

The Company reserves the right to (1) require periodic inspections of customers' building or premises to ensure that the plumbing has been installed in such a manner as to prevent the possibility of pollution of the potable water supply of the Company by the plumbing; (2) require the purchase and installation of approved protective devices located at the service entrance to the premises as may be required to protect the potable water supply from potential cross connections; (3) require periodic inspection, testing and necessary repair of all such protective devices, the frequency of which will be dependent upon the degree of potential hazard, and (4) terminate service upon failure to comply with any of the above requirements.

No interconnections with other systems shall be made unless said secondary source satisfies in all respects RSA Chapter 149 and other State laws and regulations pertaining thereto.

**NHPUC NO. 2-1 - Water**

Original Page 5

**Rosebrook-Abenaki Water Company, Inc.**  
**Carroll, NH**

If a business' water usage alters the content of the water drawn off the Company system so that it could potentially contaminate the water purity if it flowed back into the system, the Company will require a cross connection backflow preventer. Examples include the following but not limited to: soda foundations, coffee makers connected to the water supply, ice makers, bars, spas and pools. The business owner shall pay the full cost of all necessary installations, inspections and repairs, which shall be arranged by the Company. A charge consistent with current testing costs to the Company will be made when a backflow preventer is tested since the Company merely serves as the agent to arrange for testing to be done. Reduced pressure type devices will be tested twice each year as required by NH Code of Administrative Rules, Env-WS 364 Backflow Prevention. Double check valves will be tested annually.

**8. Tampering.**

All exterior valves, grates, shutoffs, standpipes, hydrants, meters, and all other Company property shall not be opened, or closed, or tampered with in any way by any person other than an authorized employee of the Company or as authorized by the Company.

(1) Valves must not be paved over in roadways.

(2) Shut offs must be accessible, clear of trees, bushes and mulch and a distance of not less than 4 feet from the building.

(3) There shall be no shrubbery, fencing or rocks that obscure a clear path to all hydrants.

(4) Bypasses are prohibited except where approved by the Company. If necessary to have one, owner must install in a location specified by the Company.

**9. Company Liability**

a. The Company will not be responsible for any damage by shutoffs in the mains or service pipes because of shortage of supply, repairs or construction or for other reasons beyond the control of the Company.

b. The Company will not be responsible for damage caused by dirty water which may be occasioned by periodic cleaning of pipes, reservoirs or standpipes, or the opening or closing of any gates, valves or hydrants, or any other cause due to no lack of reasonable care on the part of the Company.

c. The Company will not be responsible for indirect or consequential damages caused by a lack of water or by leaks in the Company's mains, pipes or fittings.

**10. Landscape Repairs on Condominium Property**

The Company will replace or repair landscaping or paving required by the Company's repairs to mains, piping and fittings located on condominium property if the Company's actions necessitated those repairs. The Company will not be liable for those landscaping or paving repairs which were required as a result of homeowner or association damage or alterations. Landscaping replacements will be similar to those installed by the developer of similar units.

**11. Customer Responsibility**

Where there is more than one (1) occupant of a building supplied with water, the plumbing must be so arranged as to permit a separate service for each place of business or abode,

**NHPUC NO. 2-1 - Water**

Original Page 6

**Rosebrook-Abenaki Water Company, Inc.**  
**Carroll, NH**

unless the owner of the premises makes application for service and thereupon assumes responsibility for payment of all charges for water service rendered to the property.

**12. Deposits.** The company policy will comply with section 1203.03 of the commission rules.

**13. Payment for Service.**

a. Bills for water service will be rendered quarterly in January, April, July and October for services rendered the previous quarter in accordance with the "Terms of Payment" specified in the applicable rate schedule. Bills may also be rendered monthly. Payments are due and payable ~~at the office of the Company~~ within thirty (30) days from the date the bill was rendered.

b. Disconnection for Non-Payment. Service may be interrupted or discontinued for nonpayment sixty (60) days or per current ruling from the date the bill was rendered provided a fourteen (14) day written notice has been given, per PUC 1203.110 of the commission rules.

c. Penalties and Charges. Interest shall be charged at eleven percent (11 %) on all bills where payment is not received by the Company within thirty days (30) of the due date printed on the bill, until payment is received.

d. Non-water Rates:

Shut-off certified notice - \$15.00

Service Re-Connection - \$100.00

Penalty for Non-sufficient funds - \$35.00

Pre-disconnection payment at premises - \$40.00

Service Connection Charge - \$100.00

Customer-requested meter testing - Depends on size of meter: see section 4.h.

Back-flow preventer testing - actual expense to Company

All non-water rates are subject to adjustment in order to recoup any cost to the Company.

**14. Applications for Service.**

Application for water service may be made by either the owner or non-owner occupant of the premises. If the rendering of service requires a new service pipe, and the application is made by the occupant of the premises, he must present to the Company a permit in writing from the owner of the premises authorizing the company or the Company's agent to enter the premises and do the necessary work. Whether or not a signed application for service is made by the customer and accepted by the Company, the rendering of service by the Company and its use by the customer shall be deemed a contract between the parties and subject to all provisions of the tariff applicable to the service.

**15. Disconnection of Service.**

Service may be disconnected without notice for any of the following reasons:

a. Non-payment (section 13b.)

b. Use of water for purposes other than described in the application.

c. Misrepresentation in the application.

d. Willful waste of water.

**NHPUC NO. 2-1 - Water**

Original Page 7

**Rosebrook-Abenaki Water Company, Inc.**  
**Carroll, NH**

- e. Tampering with Company property or not maintaining customer's property to allow ease of access for Company personnel
- f. For vacancy as defined in PUC 1203.11.
- g. For cross-connecting the Company's service pipe with any other supply source (section 7).
- h. For not installing remote reader (section 4d)
- i. For any other activity which violates the terms of the tariff.

**16. Vacancy of Premises.**

Until the Company is notified in writing of a change in occupancy, the customer of record will be held responsible for all charges.

**17. Service Re-Connection Charge.**

A charge of one hundred dollars (\$100.00) will be made when service is re-established following disconnection for any reason.

**18. Right of Access.**

Any authorized Company representative shall have the right and be permitted access to customer's premises at any reasonable time to inspect the plumbing, fixtures, or appliances supplied with water; set, read, remove, replace or repair meters; enforce these Terms and Conditions.

**19. Penalty for Bad Checks.**

Whenever a check or draft presented for payment of service is not accepted by the institution on which it is written, a charge of thirty-five (\$35.00) or the actual administrative cost of recovery, whichever is greater, may be imposed.

**20. Collection Policy.**

Whenever the Company sends an employee to the customer's premises for the purpose of disconnecting service for non-payment and the customer tenders payment in full of the bill to prevent disconnection, a charge of forty dollars (\$40.00) will be imposed.

**21. Main Pipe Extensions|New Connections|New Construction**

Extensions of water mains, pipes and associated facilities to serve new customers will be made by the ~~developer~~ Company ~~of~~ to the proposed subdivision or development at the developer's sole cost and expense. The Company considers these items to be a necessary part of the overall construction costs without regard to which party arranges for the work to be performed. The developer shall also reimburse the Company for its costs to prepare agreements, review engineering plans, and inspect the new facilities.

- a. Construction plans and specifications for the proposed extension of mains and additions to valves, fittings, hydrants, pumps or other facilities shall be prepared by the ~~developer's professional engineer~~ Company in accordance with industry standards and local, state and federal regulations. The developer's plans and specifications are subject to review and approval by the Company's engineer. Reasonable modifications of the developer's plans requested by the Company shall be incorporated into the plans by the ~~developer~~ Company.

**NHPUC NO.2 – Water**  
**Rosebrook Water Company, Inc.**

**Original Page 8**

~~b. Prior to commencing to construct water facilities the developer will enter into a written contract with the Company in which the developer agrees:~~

~~(1) To transfer by bill of sale all water system facilities to the Company upon satisfactory inspection by the Company~~

~~(2) To allow the Company to inspect the constructed facilities during construction, and approve installation location and specifications prior to backfilling any trenches.~~

~~(3) To provide a one year comprehensive warranty on constructed facilities once the facilities are transferred to the Company.~~

~~(4) To provide the Company with three sets of as-built plans.~~

~~(5) To allow no one except Company to approve hook ups for hydrants or homes, and to establish connection.~~

~~c. Except under unusual circumstances, the construction of main extensions will be carried on between April 15 and November 15 of each year.~~

~~d. Prior to receiving service, the Developer shall grant to the Company easements necessary and sufficient for the Company to repair and maintain the conveyed facilities up to and including individual unit exterior shut off valves.~~

NHPUC No. ~~2-1~~ -Water  
~~Rosebrook-Abenaki~~ Water Company  
~~Carroll, NH~~

~~1st Revised Page 9~~  
~~Issued in lieu of Original Page 9~~  
Original Page 8

GENERAL SERVICE- METERED

Rate Schedule- "GM"

AVAILABILITY:

This schedule is applicable to all water service in the territory except municipal and private fire protection.

CHARACTER OF SERVICE:

Water is obtained from wells and will be transmitted by pumps to a storage tank and then transmitted by gravity flow to the individual service pipe at a pressure ranging from 40 to 200+ pounds per square inch.

RATES-QUARTERLY/MONTHLY

The rate for metered service shall include a quarterly or monthly charge per customer unit based upon the size of the meter, which shall include gallons used, as follows:

<u>Size of Meter</u>	<u>Quarterly Charge</u>	<u>Monthly Charge</u>
5/8"	\$29.72	<u>\$9.91</u>
1"	\$98.08	<u>\$32.69</u>
2"	\$318.01	<u>\$106.00</u>
3"	\$692.48	<u>\$230.83</u>
6"	\$2,772.88	<u>\$924.29</u>

Issued: ~~January 9, 2014~~

Issued by: ~~Nancy Oleson~~Donald Vaughan

Effective: ~~January 1, 2014~~

Title: ~~Operations Manager~~Chairman

Authorized by NHPUC Order No. 25,613 in DW 12-306 dated December 23, 2013, and NH PUC Order No. \_\_\_\_\_  
in DW 16- dated \_\_\_\_\_.

NHPUC No. ~~2-1~~ -Water  
~~Rosebrook-Abenaki~~ Water Company  
~~Carroll, NH~~

1st Revised Page 10  
Issued in lieu of Original Page 10  
Original Page 9

GENERAL SERVICE- METERED (continued)

Rate Schedule- "GM"

QUANTITY OF WATER USED

Per 1,000 gallons      \$5.33

MINIMUM CHARGE:

The minimum charge will be the quarterly or monthly charge per customer unit based upon the size of the meter.

TERMS OF PAYMENT:

Bills under this rate are net and will be rendered (quarterly) on April 1, July 1, October 1, and January 1 and are due and payable upon presentation. Bills may also be rendered monthly.

Issued: ~~January 9, 2014~~

Issued by: ~~Nancy Oleson~~Donald Vaughan

Effective: ~~January 1, 2014~~

Title: ~~Operations Manager~~Chairman

Authorized by NHPUC Order No. 25,613 in DW 12-306 dated December 23, 2013, and NH PUC Order No. \_\_\_\_\_  
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NHPUC NO. 2-1 - Water  
~~Rosebrook~~ Abenaki Water Company, Inc.  
Carroll, NH

Original Page ~~11~~10

*Attachment A: INSTALLATION SEQUENCE*

