

ASSET PURCHASE AGREEMENT

By and Between

Butler Area Sewer Authority

As Seller

and

Pennsylvania-American Water Company

As Buyer

SCHEDULES AND EXHIBITS

Capitalized terms used in the Schedules which are not otherwise defined herein shall have the respective meanings ascribed to such terms in the Agreement. The Schedules are to be read in their entirety. Nothing in the Schedules is intended to broaden the scope of any representation or warranty in the Agreement. The disclosure of any item, explanation, exception or qualification in any Schedule is disclosure of that item for all purposes for which disclosure is required under the Agreement when it is reasonably apparent from the context that such item, explanation, exception or qualification also relates to another Schedule irrespective of whether any cross reference is made or no Schedule is provided with respect to a representation. Other than as expressly set forth herein or when the Schedules reference agreements or other matters not documented in a separate writing, all descriptions of agreements, written materials or other matters appearing herein, are summary in nature and are qualified by reference to the complete documents, which have been supplied to the Buyer or its counsel.

Exhibit A

Outstanding Indebtedness

Debt	Outstanding Amount as of Year End 2021
\$13,087,500 Loan with Pennvest (Butler City Act 537 Plan Improvements Project (Penvest Loan No. 77017))	\$7,814,092
\$9,995,000 Sewer Revenue Bonds, Series A of 2017	\$8,325,000
\$9,910,000 Sewer Revenue Bonds, Series of 2020	\$9,745,000
\$8,510,000 Sewer Revenue Bonds, Series A of 2020	\$7,950,000
\$8,315,000 Sewer Revenue Bonds, Series of 2021	\$8,290,000

Exhibit B-1

Indemnity Escrow Agreement

ESCROW AGREEMENT

THIS INDEMNITY ESCROW AGREEMENT (the “Agreement”) is entered into on _____, 2022 by **Pennsylvania-American Water Company** (“Buyer”), the **Butler Area Sewer Authority** (“Seller”) and [_____], as escrow agent (the “Escrow Agent”).

BACKGROUND:

Buyer and Seller have entered into a certain Asset Purchase Agreement dated _____, 2022 (the “Asset Purchase Agreement”). Upon Closing of the transaction contemplated by the Asset Purchase Agreement, Buyer is required to deposit the amount of \$[9,200,000] of the Purchase Price into escrow (the “Indemnity Escrow Fund” hereinafter referred to as the “Escrow Fund”) in order to secure Seller’s obligations related to post-Closing obligations pursuant to Article VIII of the Asset Purchase Agreement. Buyer and Seller are entering into this Agreement to establish the terms of the funding, management and distribution of the Escrow Fund as required by the Asset Purchase Agreement. Pursuant to the Asset Purchase Agreement, after the Closing Date and notwithstanding any other provision of the Asset Purchase Agreement, the Escrow Fund is Buyer’s sole recourse with respect to providing for Seller’s post-Closing obligations pursuant to Article VIII of the Asset Purchase Agreement. This Agreement is referred to in the Asset Purchase Agreement as the “Indemnity Escrow Agreement.”

Capitalized terms used in this Agreement but not defined herein have the meanings ascribed to them in the Asset Purchase Agreement.

NOW THEREFORE, in consideration of the premises and of the mutual covenants contained herein and in the Asset Purchase Agreement, the parties hereto agree as follows:

1. Acceptance by Escrow Agent. The Escrow Agent accepts the appointment as escrow agent pursuant to this Agreement and shall act on the terms and conditions set forth in this Agreement. Escrow Agent shall be paid from the Escrow Fund in accordance with the provisions of Exhibit I.

2. Investment of Escrow Fund. Upon receipt by the Escrow Agent of the Escrow Fund at Closing, the Escrow Agent shall, subject to the terms hereof, retain the Escrow Fund and is empowered and directed to invest the Escrow Fund in an interest-bearing account, as described more fully in Exhibit II. The Escrow Agent shall not be obligated to earn any particular yield or rate of return on the Escrow Fund. All interest and other earnings on the Escrow Funds shall be retained by the Escrow Agent until disbursed in accordance with the terms hereof. The Escrow Agent shall have no liability for any investment losses.

3. Rights and Responsibilities of Escrow Agent. The acceptance by the Escrow Agent of its duties hereunder is subject to the following terms and conditions, which shall govern and control with respect to the Escrow Agent’s rights, duties, liabilities and immunities:

a. The Escrow Agent shall act hereunder as a depository only, and it shall not be responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of any document furnished to the Escrow Agent or any asset deposited with it.

b. The Escrow Agent shall have no duties except those specifically set forth in this Agreement.

c. The Escrow Agent shall have the right any time it deems appropriate to seek an adjudication in a court of competent jurisdiction as to the respective rights of the parties hereto and shall not be held liable by any party hereto for the delay or the consequences of any delay occasioned by such resort to court.

d. The Escrow Agent: (i) shall not be responsible for any of the agreements referred to or described herein, or for determining or compelling compliance therewith, and shall not otherwise be bound thereby; (ii) shall be obligated only for the performance of such duties as are expressly and specifically set forth in this Agreement on its part to be performed, each of which is ministerial (and shall not be construed to be fiduciary) in nature, and no implied duties or obligations of any kind shall be read into this Agreement against or on the part of the Escrow Agent; (iii) shall not be obligated to take any legal or other action hereunder which might in its judgment involve or cause it to incur any expense or liability unless it shall have been furnished with acceptable indemnification; (iv) may rely on and shall be protected in acting or refraining from acting upon any written notice, instruction (including, without limitation, wire transfer instructions, whether incorporated herein or provided in a separate written instruction), instrument, statement, certificate, request or other document furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper person, and shall have no responsibility or duty to make inquiry as to or to determine the genuineness, accuracy or validity thereof (or any signature appearing thereon), or of the authority of the person signing or presenting the same, and (v) may consult counsel satisfactory to it, including in-house counsel, and the opinion or advice of such counsel in any instance shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion or advice of such counsel. In the event of any conflict between the terms and provision of this Agreement, those of the Asset Purchase Agreement, any schedule or exhibit attached to the Agreement, or any other Agreement among the parties, the terms and conditions of this Agreement shall control.

e. The Escrow Agent shall not be liable to anyone for any action taken or omitted to be taken by it hereunder except in the case of the Escrow Agent's gross negligence or willful misconduct as determined by a court of competent jurisdiction as being the primary cause of any loss to either the Seller or Buyer. The Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through affiliates or agents. The Escrow Agent may consult with accountants and other skilled persons to be selected and retained by it. The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with, or in reliance upon, the advice or opinion of any such accountants or other skilled persons. In the event that the Escrow Agent shall receive instructions, claims or demands from any party hereto which, in its opinion, conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held in escrow until it shall be given a direction in writing by the parties which eliminates such conflict or by a final and non-appealable court order. In no event shall the Escrow Agent be liable for indirect, punitive, special or consequential damage or loss (including but not limited to lost profits) whatsoever, even if the Escrow Agent has been informed of the likelihood of such loss or damage and regardless of the form of action.

f. The Escrow Agent is hereby authorized, in making or disposing of any investment permitted by this Agreement, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or such affiliate is acting as a subagent of the Escrow Agent or for any third person or dealing as principal for its own account.

g. Notwithstanding any term appearing in this Agreement to the contrary, in no instance shall the Escrow Agent be required or obligated to distribute any portion of the Escrow Fund (or take other action that may be called for hereunder to be taken by the Escrow Agent) sooner than two (2) business days after (i) it has received the applicable documents required under this Agreement in an acceptable form; or (ii) passage of the applicable time period (or both, as applicable under the terms of this Agreement), as the case may be.

h. Unless and except to the extent otherwise expressly set forth herein, all deposits and payments hereunder, or pursuant to the terms hereof shall be in U.S. dollars.

i. The Escrow Agent shall have the right at any time to resign for any reason and be discharged of its duties as Escrow Agent hereunder by giving written notice of its resignation to the parties hereto at least thirty (30) business days prior to the date specified for such resignation to take effect. All obligations of the Escrow Agent in this Agreement shall cease and terminate on the effective date of its resignation, provided that, prior to the effective date of resignation:

(i) if a successor escrow agent shall have been appointed and written notice thereof shall have been given to the resigning Escrow Agent by Buyer, Seller and the successor escrow agent, then the resigning Escrow Agent shall deliver the Escrow Fund to the successor escrow agent; or

(ii) if a successor escrow agent shall not have been appointed by Buyer and Seller, for any reason whatsoever, the resigning Escrow Agent shall deliver the Escrow Fund to a court of competent jurisdiction and give written notice of the same to the Buyer and Seller.

The resigning Escrow Agent shall be reimbursed from the Escrow Fund for any expenses incurred in connection with its resignation and transfer of the Escrow Fund pursuant to and in accordance with the provisions of this Section.

j. The Seller and Buyer each covenants and agrees, jointly and severally, to indemnify the Escrow Agent (and its directors, officers and employees) and hold it (and such directors, officers and employees) harmless from and against any loss, liability, damage, cost and expense of any nature (including, without limitation, the fees and expenses of outside counsel and experts and their staffs and all expense of document location, duplication and shipment) incurred by the Escrow Agent arising out of or in connection with this Agreement or with the administration of its duties hereunder, including, but not limited to, reasonable attorneys' fees and other costs and expenses of defending or preparing to defend against any claim of liability unless and except to the extent such loss, liability, damage, cost and expense shall be finally adjudicated by a court of competent jurisdiction to have been primarily caused by the Escrow Agent's gross negligence or willful misconduct. The foregoing indemnification and agreement to hold harmless shall survive the resignation of the Escrow Agent or the termination of this Agreement.

k. Each of the Seller and Buyer agrees, jointly and severally, (i) to assume any and all obligations imposed now or hereafter by any applicable tax law with respect to any payment or distribution of the Escrow Fund or performance of other activities under this Agreement, (ii) to instruct the Escrow Agent in writing with respect to the Escrow Agent's responsibility for withholding and other taxes, assessments or other governmental charges, and to instruct the Escrow Agent with respect to any certifications and governmental reporting that may be required under any laws or regulations that may be applicable in connection with its acting as Escrow Agent under this Agreement, and (iii) to indemnify and hold the Escrow Agent harmless from any liability or obligation on account of taxes, assessments, additions for late payment, interest, penalties, expenses and other governmental charges that may be assessed or asserted against the Escrow Agent in connection with, on account of or relating to the Escrow Fund, the management established hereby, any payment or distribution of or from the Escrow Fund pursuant to the terms hereof or other activities performed under the terms of this Agreement, including without limitation any liability for the withholding or deduction of (or the failure to withhold or deduct) the same, and any liability for failure to obtain proper certifications or to report properly to governmental authorities in connection with this Agreement, including costs and expenses (including reasonable attorneys' fees and expenses), interest and penalties. The foregoing indemnification and agreement to hold harmless shall survive the resignation of the Escrow Agent or the termination of this Agreement.

4. Statements. During the term of this Agreement, the Escrow Agent shall provide Seller and Buyer with monthly statements containing the beginning balance in the escrow account as well as all principal and income transactions for the statement period. The Escrow Agent shall be forever released and discharged from all liability with respect to the accuracy of such statements, except with respect to any such act or transaction as to which Seller or Buyer shall, within ninety (90) days after the furnishing of the statement, file written objections with the Escrow Agent.

5. Obligations of Seller Secured. Subject to Sections 7 through 9 below, the Escrow Agent shall retain the Escrow Fund for a period of one (1) year following Closing Date (the "Term") to fund Seller's responsibilities under Article VIII of the Asset Purchase Agreement.

6. Distribution Procedures. Except as specifically provided in this Agreement, no distribution from the Escrow Fund shall be made except as follows:

- a. upon written notice executed jointly (or in counterparts) by Seller and Buyer (a "Joint Instruction"); or
- b. as may be necessary to comply with any final and unappealable judgment, decree or order of a court of competent jurisdiction.

7. Final Distribution. Within ten (10) days following the earlier to occur of: (1) the Escrow Agent's receipt of written notice from one of the parties advising the Escrow Agent that the Term has expired; and (2) the parties' Joint Instruction to terminate the Escrow Fund because all of Seller's obligations under Article VIII of the Asset Purchase Agreement secured by this Agreement have been discharged, the Escrow Agent shall release the balance of the Escrow Fund to Seller or as the Seller may otherwise direct in writing.

8. Disbursement Instructions. In the event of any doubt or uncertainty by Escrow Agent as to the propriety of making periodic or final disbursements of the Escrow Fund, the Escrow Agent may retain the Escrow Fund, without penalty or liability, until the parties provide joint written instructions for the disbursement of the Escrow Fund or until a final adjudication is made as to its proper disposition. In this regard, Escrow Agent shall be entitled to rely absolutely on the advice of its counsel.

9. Tax Reporting. The Seller and Buyer hereby represent to the Escrow Agent that (a) there is no sale or transfer of a “United States Real Property Interest” as defined under Section 897(c) of the Internal Revenue Code, as the same may be amended from time to time (the “IRC”) in the underlying transaction giving rise to this Agreement, and (b) such underlying transaction does not constitute an installment sale requiring tax reporting or withholding of imputed interest or original issue discount to the Internal Revenue Service (“IRS”) or other taxing authority. The Seller and Buyer each agree that, for tax reporting purposes, all interest or other income earned from the investment of the Escrow Fund shall be reported by the Escrow Agent as allocated to the Seller, and reported, as and to the extent required by law, by the Escrow Agent to the IRS, or any other taxing authority on IRS Form 1099 or 1042S (or other appropriate form) as income earned from the Escrow Fund by the Seller whether or not said income has been distributed during such year.

10. Certification of Taxpayer Identification Number. Each of the Seller and Buyer agree to provide the Escrow Agent with a certified tax identification number by signing and returning a Form W-9 to the Escrow Agent upon the execution and delivery of this Agreement. Each of the Seller and Buyer understand that, in the event their tax identification numbers are not certified to the Escrow Agent, the IRC, may require withholding of a portion of any interest or other income earned on the investment of the Escrow Fund.

11. Amendment; Waiver. The parties may amend this Agreement only by the parties’ written agreement that identifies itself as an amendment to this Agreement. Any waiver of, or consent to depart from, the requirements of any provision of this Agreement will be effective only if it is in writing and signed by the parties giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any party to exercise, and no delay in exercising, any right under this Agreement will operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

12. Discharge. The Escrow Agent may be discharged from its duties as Escrow Agent under this Agreement upon thirty (30) days written notice from Buyer and Seller jointly and upon payment of any and all fees and indemnity amounts due to Escrow Agent. In such event, the Escrow Agent shall be entitled to rely on instructions from Buyer and Seller jointly as to the disposition and delivery of the Escrow Fund.

13. Execution. This Agreement may be executed in any number of counterparts which, taken together, is one and the same agreement. This Agreement becomes effective when it has been executed by each party and delivered to all parties, provided, however, that this Agreement shall be effective as between Buyer and Seller when it has been executed by Buyer and Seller and delivered to each of Buyer and Seller. To evidence the fact that it has executed this Agreement, a party may send a copy of its executed counterpart to the other parties by facsimile transmission. Such party is deemed to have executed and delivered this Agreement on the date it sent such facsimile transmission. In such event, such party shall forthwith deliver to the other parties an original counterpart of this Agreement executed by such party.

14. Severability. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and in no way be affected, impaired or invalidated.

15. Entire Agreement. This Agreement is the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, discussions and understandings, written or oral, among the parties. There are no representations, warranties, conditions or other agreements, whether direct or collateral, or express or implied, that form part of or affect this Agreement, or that induced any party to enter into this Agreement or on which reliance is placed by any party, except as specifically set forth in this Agreement. The parties acknowledge and agree that (i) each has substantial business experience and is fully acquainted with the provisions of this Agreement, (ii) the provisions and language of this Agreement have been fully negotiated and (iii) no provision of this Agreement shall be construed in favor of any party or against any party by reason of such provision of this Agreement having been drafted on behalf of one party rather than the other parties.

16. Governing Law; Jurisdiction. The laws of the Commonwealth of Pennsylvania (without giving effect to its conflicts of law principles) govern all matters arising and relating to this Agreement, including torts. The parties irrevocably agree and consent to the jurisdiction of the United States District Court for the Western District of Pennsylvania and the Court of Common Pleas of Butler County, Pennsylvania, for the adjudication of any matters arising under or in connection with this Agreement. Any action initiated in court shall be filed and litigated (including all discovery proceedings) exclusively in the United States District Court for the Western District of Pennsylvania and the Court of Common Pleas of Butler County, Pennsylvania, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by mail to such party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

17. Parties in Interest; Third Party Beneficiaries. Except as hereinafter provided, this Agreement is not intended to and shall not be construed to create upon any Person other than the parties any rights or remedies hereunder.

18. Successors and Assigns. No party to this Agreement may assign any right or delegate any performance under this Agreement without the prior written consent of the other parties. A purported assignment or purported delegation without prior written consent is void.

19. Specific Performance. Irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms of this Agreement. Any party may seek specific performance of the terms of this Agreement, in addition to any other remedy to which they are entitled at law or in equity if such party has performed in accordance with the terms of this Agreement.

20. Headings. The headings in this Agreement are for convenience of reference only and shall neither be considered as part of this Agreement, nor limit or otherwise affect the meaning hereof.

21. Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given, made and received only when delivered (personally, by courier service such as Federal Express, or by other messenger) to the address set forth below:

in the case of the Seller:

Butler Area Sewer Authority
100 Litman Road
Butler, Pennsylvania 16001-3256
Attention: Executive Director

with a copy to:

Obermayer Rebmann Maxwell & Hippel LLP
Centre Square West
1500 Market Street
Suite 3400
Philadelphia, PA 19102-2101
Attention: Thomas Wyatt

in the case of the Buyer:

Pennsylvania American Water
852 Wesley Drive
Mechanicsburg, PA 17055
ADDRESS
Attention: Mike Doran, President

with a copy to:

Pennsylvania American Water
852 Wesley Drive
Mechanicsburg, PA 17055
ADDRESS
Attention: Andrew Swope, Managing General Counsel

Any party may alter the address to which communications or copies are to be sent by giving notice of such change of address in conformity with the provisions of this paragraph for the giving of notice.

Signature page follows.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

BUTLER AREA SEWER AUTHORITY

By: _____

Printed: _____

Its:

ATTEST:

By: _____

Name:

Its:

ESCROW AGENT:

[_____]

By: _____

Printed: _____

Title: _____

PENNSYLVANIA-AMERICAN WATER COMPANY

By: _____

Printed: _____

Its: President

ATTEST:

By: _____

Name:

Its:

EXHIBIT I

Fee Schedule

EXHIBIT II

Terms of Escrow Account

The Escrow Fund shall be continuously invested in an interest-bearing account.

Exhibit B-2

Easement Escrow Agreement

EASEMENT ESCROW AGREEMENT

THIS ESCROW AGREEMENT (the “Agreement”) is entered into on _____, 2022 by **Pennsylvania-American Water Company** (“Buyer”), the **Butler Area Sewer Authority** (“Seller”) and [_____], as escrow agent (the “Escrow Agent”).

BACKGROUND:

Buyer and Seller have entered into a certain Asset Purchase Agreement dated _____, 2022 (the “Asset Purchase Agreement”). Upon Closing of the transaction contemplated by the Asset Purchase Agreement, Buyer is required to deposit the amount of \$[_____] of the Purchase Price into escrow (the “Easement Escrow Fund” hereinafter referred to as the “Escrow Fund”) in order to secure Seller’s obligations related to all Missing Easements that have not been obtained as of Closing pursuant to Section 6.05(d) of the Asset Purchase Agreement. Buyer and Seller are entering into this Agreement to establish the terms of the funding, management and distribution of the Easement Escrow Fund as required by the Asset Purchase Agreement. This Agreement is referred to in the Asset Purchase Agreement as the “Easement Escrow Agreement.”

Capitalized terms used in this Agreement but not defined herein have the meanings ascribed to them in the Asset Purchase Agreement.

NOW THEREFORE, in consideration of the premises and of the mutual covenants contained herein and in the Asset Purchase Agreement, the parties hereto agree as follows:

1. Acceptance by Escrow Agent. The Escrow Agent accepts the appointment as escrow agent pursuant to this Agreement and shall act on the terms and conditions set forth in this Agreement. Escrow Agent shall be paid from the Escrow Fund in accordance with the provisions of Exhibit I.
2. Investment of Escrow Fund. Upon receipt by the Escrow Agent of the Escrow Fund at Closing, the Escrow Agent shall, subject to the terms hereof, retain the Escrow Fund and is empowered and directed to invest the Escrow Fund in an interest-bearing account, as described more fully in Exhibit II. The Escrow Agent shall not be obligated to earn any particular yield or rate of return on the Escrow Fund. All interest and other earnings on the Escrow Funds shall be retained by the Escrow Agent until disbursed in accordance with the terms hereof. The Escrow Agent shall have no liability for any investment losses.
3. Rights and Responsibilities of Escrow Agent. The acceptance by the Escrow Agent of its duties hereunder is subject to the following terms and conditions, which shall govern and control with respect to the Escrow Agent’s rights, duties, liabilities and immunities:
 - a. The Escrow Agent shall act hereunder as a depository only, and it shall not be responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of any document furnished to the Escrow Agent or any asset deposited with it.

b. The Escrow Agent shall have no duties except those specifically set forth in this Agreement.

c. The Escrow Agent shall have the right any time it deems appropriate to seek an adjudication in a court of competent jurisdiction as to the respective rights of the parties hereto and shall not be held liable by any party hereto for the delay or the consequences of any delay occasioned by such resort to court.

d. The Escrow Agent: (i) shall not be responsible for any of the agreements referred to or described herein, or for determining or compelling compliance therewith, and shall not otherwise be bound thereby; (ii) shall be obligated only for the performance of such duties as are expressly and specifically set forth in this Agreement on its part to be performed, each of which is ministerial (and shall not be construed to be fiduciary) in nature, and no implied duties or obligations of any kind shall be read into this Agreement against or on the part of the Escrow Agent; (iii) shall not be obligated to take any legal or other action hereunder which might in its judgment involve or cause it to incur any expense or liability unless it shall have been furnished with acceptable indemnification; (iv) may rely on and shall be protected in acting or refraining from acting upon any written notice, instruction (including, without limitation, wire transfer instructions, whether incorporated herein or provided in a separate written instruction), instrument, statement, certificate, request or other document furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper person, and shall have no responsibility or duty to make inquiry as to or to determine the genuineness, accuracy or validity thereof (or any signature appearing thereon), or of the authority of the person signing or presenting the same, and (v) may consult counsel satisfactory to it, including in-house counsel, and the opinion or advice of such counsel in any instance shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion or advice of such counsel. In the event of any conflict between the terms and provision of this Agreement, those of the Asset Purchase Agreement, any schedule or exhibit attached to the Agreement, or any other Agreement among the parties, the terms and conditions of this Agreement shall control.

e. The Escrow Agent shall not be liable to anyone for any action taken or omitted to be taken by it hereunder except in the case of the Escrow Agent's gross negligence or willful misconduct as determined by a court of competent jurisdiction as being the primary cause of any loss to either the Seller or Buyer. The Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through affiliates or agents. The Escrow Agent may consult with accountants and other skilled persons to be selected and retained by it. The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with, or in reliance upon, the advice or opinion of any such accountants or other skilled persons. In the event that the Escrow Agent shall receive instructions, claims or demands from any party hereto which, in its opinion, conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held in escrow until it shall be given a direction in writing by the parties which eliminates such conflict or by a final and non-appealable court order. In no event shall the Escrow Agent be liable for indirect, punitive, special or consequential damage or loss (including but not limited to lost profits) whatsoever, even if the Escrow Agent has been informed of the likelihood of such loss or damage and regardless of the form of action.

f. The Escrow Agent is hereby authorized, in making or disposing of any investment permitted by this Agreement, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or such affiliate is acting as a subagent of the Escrow Agent or for any third person or dealing as principal for its own account.

g. Notwithstanding any term appearing in this Agreement to the contrary, in no instance shall the Escrow Agent be required or obligated to distribute any portion of the Escrow Fund (or take other action that may be called for hereunder to be taken by the Escrow Agent) sooner than two (2) business days after (i) it has received the applicable documents required under this Agreement in an acceptable form; or (ii) passage of the applicable time period (or both, as applicable under the terms of this Agreement), as the case may be.

h. Unless and except to the extent otherwise expressly set forth herein, all deposits and payments hereunder, or pursuant to the terms hereof shall be in U.S. dollars.

i. The Escrow Agent shall have the right at any time to resign for any reason and be discharged of its duties as Escrow Agent hereunder by giving written notice of its resignation to the parties hereto at least thirty (30) business days prior to the date specified for such resignation to take effect. All obligations of the Escrow Agent in this Agreement shall cease and terminate on the effective date of its resignation, provided that, prior to the effective date of resignation:

(i) if a successor escrow agent shall have been appointed and written notice thereof shall have been given to the resigning Escrow Agent by Buyer, Seller and the successor escrow agent, then the resigning Escrow Agent shall deliver the Escrow Fund to the successor escrow agent; or

(ii) if a successor escrow agent shall not have been appointed by Buyer and Seller, for any reason whatsoever, the resigning Escrow Agent shall deliver the Escrow Fund to a court of competent jurisdiction and give written notice of the same to the Buyer and Seller.

The resigning Escrow Agent shall be reimbursed from the Escrow Fund for any expenses incurred in connection with its resignation and transfer of the Escrow Fund pursuant to and in accordance with the provisions of this Section.

j. The Seller and Buyer each covenants and agrees, jointly and severally, to indemnify the Escrow Agent (and its directors, officers and employees) and hold it (and such directors, officers and employees) harmless from and against any loss, liability, damage, cost and expense of any nature (including, without limitation, the fees and expenses of outside counsel and experts and their staffs and all expense of document location, duplication and shipment) incurred by the Escrow Agent arising out of or in connection with this Agreement or with the administration of its duties hereunder, including, but not limited to, reasonable attorneys' fees and other costs and expenses of defending or preparing to defend against any claim of liability unless and except to the extent such loss, liability, damage, cost and expense shall be finally adjudicated by a court of competent jurisdiction to have been primarily caused by the Escrow Agent's gross negligence or willful misconduct. The foregoing indemnification and agreement to hold harmless shall survive the resignation of the Escrow Agent or the termination of this Agreement.

k. Each of the Seller and Buyer agrees, jointly and severally, (i) to assume any and all obligations imposed now or hereafter by any applicable tax law with respect to any payment or distribution of the Escrow Fund or performance of other activities under this Agreement, (ii) to instruct the Escrow Agent in writing with respect to the Escrow Agent's responsibility for withholding and other taxes, assessments or other governmental charges, and to instruct the Escrow Agent with respect to any certifications and governmental reporting that may be required under any laws or regulations that may be applicable in connection with its acting as Escrow Agent under this Agreement, and (iii) to indemnify and hold the Escrow Agent harmless from any liability or obligation on account of taxes, assessments, additions for late payment, interest, penalties, expenses and other governmental charges that may be assessed or asserted against the Escrow Agent in connection with, on account of or relating to the Escrow Fund, the management established hereby, any payment or distribution of or from the Escrow Fund pursuant to the terms hereof or other activities performed under the terms of this Agreement, including without limitation any liability for the withholding or deduction of (or the failure to withhold or deduct) the same, and any liability for failure to obtain proper certifications or to report properly to governmental authorities in connection with this Agreement, including costs and expenses (including reasonable attorneys' fees and expenses), interest and penalties. The foregoing indemnification and agreement to hold harmless shall survive the resignation of the Escrow Agent or the termination of this Agreement.

4. Statements. During the term of this Agreement, the Escrow Agent shall provide Seller and Buyer with monthly statements containing the beginning balance in the escrow account as well as all principal and income transactions for the statement period. The Escrow Agent shall be forever released and discharged from all liability with respect to the accuracy of such statements, except with respect to any such act or transaction as to which Seller or Buyer shall, within ninety (90) days after the furnishing of the statement, file written objections with the Escrow Agent.

5. Preparation of List of Missing Easements. At or before Closing, a written list containing all Missing Easements as of Closing, shall be appended to this Agreement as Schedule A.

6. Obligations of Seller Secured. Subject to Sections 7 through 9 below, the Escrow Agent shall retain the Escrow Fund for a period of three (3) years following Closing Date (the "Term") to fund Buyer's assumption of the responsibilities under Section 6.05(d) of the Asset Purchase Agreement.

7. Distribution Procedures. Except as specifically provided in this Agreement, no distribution from the Escrow Fund shall be made except as follows:

- a. upon written notice executed jointly (or in counterparts) by Seller and Buyer (a "Joint Instruction"); or
- b. as may be necessary to comply with any final and unappealable judgment, decree or order of a court of competent jurisdiction.

8. Periodic Distributions to Buyer. During the Term, Buyer and Seller shall, on a quarterly basis, issue a Joint Instruction to the Escrow Agent to make a distribution to Buyer for Buyer's unreimbursed Covered Expenses. For purposes of this Section 8, the following terms shall have the following meanings:

“**Conveyance Instrument**” means a written instrument signed by all parties required to effectuate its terms, in form and substance acceptable to Buyer in its reasonable discretion and in form acceptable for recording with the Butler County Recorder of Deeds, which memorializes Buyer’s property interest required to maintain the Acquired Asset in the location in which it is situated.

“**Covered Expenses**” means any and all expenses paid or payable by Buyer to third-parties in securing a Conveyance Instrument, including, without limitation, consideration paid to any counterparty to such Conveyance Instrument to acquire the interest granted therein, payments to engineers, attorneys and other vendors reasonably required to secure such Conveyance Instrument, and all costs of litigation, condemnation and any fees related to the foregoing.

9. Final Distribution. Within ten (10) days following the earlier to occur of: (1) the Escrow Agent’s receipt of written notice from one of the parties advising the Escrow Agent that the Term has expired; and (2) the parties’ Joint Instruction to terminate the Escrow Fund because all of Seller’s obligations under Section 6.05(d) of the Asset Purchase Agreement secured by this Agreement have been discharged, the Escrow Agent shall release the balance of the Escrow Fund to Seller or as the Seller may otherwise direct in writing.

10. Disbursement Instructions. In the event of any doubt or uncertainty by Escrow Agent as to the propriety of making periodic or final disbursements of the Escrow Fund, the Escrow Agent may retain the Escrow Fund, without penalty or liability, until the parties provide joint written instructions for the disbursement of the Escrow Fund or until a final adjudication is made as to its proper disposition. In this regard, Escrow Agent shall be entitled to rely absolutely on the advice of its counsel.

11. Tax Reporting. The Seller and Buyer hereby represent to the Escrow Agent that (a) there is no sale or transfer of a “United States Real Property Interest” as defined under Section 897(c) of the Internal Revenue Code, as the same may be amended from time to time (the “IRC”) in the underlying transaction giving rise to this Agreement, and (b) such underlying transaction does not constitute an installment sale requiring tax reporting or withholding of imputed interest or original issue discount to the Internal Revenue Service (“IRS”) or other taxing authority. The Seller and Buyer each agree that, for tax reporting purposes, all interest or other income earned from the investment of the Escrow Fund shall be reported by the Escrow Agent as allocated to the Seller, and reported, as and to the extent required by law, by the Escrow Agent to the IRS, or any other taxing authority on IRS Form 1099 or 1042S (or other appropriate form) as income earned from the Escrow Fund by the Seller whether or not said income has been distributed during such year.

12. Certification of Taxpayer Identification Number. Each of the Seller and Buyer agree to provide the Escrow Agent with a certified tax identification number by signing and returning a Form W-9 to the Escrow Agent upon the execution and delivery of this Agreement. Each of the Seller and Buyer understand that, in the event their tax identification numbers are not certified to the Escrow Agent, the IRC, may require withholding of a portion of any interest or other income earned on the investment of the Escrow Fund.

13. Amendment; Waiver. The parties may amend this Agreement only by the parties’ written agreement that identifies itself as an amendment to this Agreement. Any waiver of, or consent to depart from, the requirements of any provision of this Agreement will be effective only if it is in writing and signed

by the parties giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any party to exercise, and no delay in exercising, any right under this Agreement will operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

14. Discharge. The Escrow Agent may be discharged from its duties as Escrow Agent under this Agreement upon thirty (30) days written notice from Buyer and Seller jointly and upon payment of any and all fees and indemnity amounts due to Escrow Agent. In such event, the Escrow Agent shall be entitled to rely on instructions from Buyer and Seller jointly as to the disposition and delivery of the Escrow Fund.

15. Execution. This Agreement may be executed in any number of counterparts which, taken together, is one and the same agreement. This Agreement becomes effective when it has been executed by each party and delivered to all parties, provided, however, that this Agreement shall be effective as between Buyer and Seller when it has been executed by Buyer and Seller and delivered to each of Buyer and Seller. To evidence the fact that it has executed this Agreement, a party may send a copy of its executed counterpart to the other parties by facsimile transmission. Such party is deemed to have executed and delivered this Agreement on the date it sent such facsimile transmission. In such event, such party shall forthwith deliver to the other parties an original counterpart of this Agreement executed by such party.

16. Severability. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and in no way be affected, impaired or invalidated.

17. Entire Agreement. This Agreement is the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, discussions and understandings, written or oral, among the parties. There are no representations, warranties, conditions or other agreements, whether direct or collateral, or express or implied, that form part of or affect this Agreement, or that induced any party to enter into this Agreement or on which reliance is placed by any party, except as specifically set forth in this Agreement. The parties acknowledge and agree that (i) each has substantial business experience and is fully acquainted with the provisions of this Agreement, (ii) the provisions and language of this Agreement have been fully negotiated and (iii) no provision of this Agreement shall be construed in favor of any party or against any party by reason of such provision of this Agreement having been drafted on behalf of one party rather than the other parties.

18. Governing Law; Jurisdiction. The laws of the Commonwealth of Pennsylvania (without giving effect to its conflicts of law principles) govern all matters arising and relating to this Agreement, including torts. The parties irrevocably agree and consent to the jurisdiction of the United States District Court for the Western District of Pennsylvania and the Court of Common Pleas of Butler County, Pennsylvania, for the adjudication of any matters arising under or in connection with this Agreement. Any action initiated in court shall be filed and litigated (including all discovery proceedings) exclusively in the United States District Court for the Western District of Pennsylvania and the Court of Common Pleas of Butler County, Pennsylvania, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by mail to such party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER

TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

19. Parties in Interest; Third Party Beneficiaries. Except as hereinafter provided, this Agreement is not intended to and shall not be construed to create upon any Person other than the parties any rights or remedies hereunder.

20. Successors and Assigns. No party to this Agreement may assign any right or delegate any performance under this Agreement without the prior written consent of the other parties. A purported assignment or purported delegation without prior written consent is void.

21. Specific Performance. Irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms of this Agreement. Any party may seek specific performance of the terms of this Agreement, in addition to any other remedy to which they are entitled at law or in equity if such party has performed in accordance with the terms of this Agreement.

22. Headings. The headings in this Agreement are for convenience of reference only and shall neither be considered as part of this Agreement, nor limit or otherwise affect the meaning hereof.

23. Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given, made and received only when delivered (personally, by courier service such as Federal Express, or by other messenger) to the address set forth below:

in the case of the Seller:

Butler Area Sewer Authority
100 Litman Road
Butler, Pennsylvania 16001-3256
Attention: Executive Director

with a copy to:

Obermayer Rebmann Maxwell & Hippel LLP
Centre Square West
1500 Market Street
Suite 3400
Philadelphia, PA 19102-2101
Attention: Thomas Wyatt

in the case of the Buyer:

Pennsylvania American Water
852 Wesley Drive
Mechanicsburg, PA 17055
ADDRESS
Attention: Mike Doran, President

with a copy to:

Pennsylvania American Water
852 Wesley Drive
Mechanicsburg, PA 17055
ADDRESS
Attention: Andrew Swope, Managing General Counsel

Any party may alter the address to which communications or copies are to be sent by giving notice of such change of address in conformity with the provisions of this paragraph for the giving of notice.

Signature page follows.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

BUTLER AREA SEWER AUTHORITY

By: _____

Printed: _____

Its:

ATTEST:

By: _____

Name:

Its:

ESCROW AGENT:

[_____]

By: _____

Printed: _____

Title: _____

PENNSYLVANIA-AMERICAN WATER COMPANY

By: _____

Printed: _____

Its: President

ATTEST:

By: _____

Name:

Its:

SCHEDULE A*

I. Missing Easements

*to be populated on or before Closing as Buyer proceeds through title review / abstracting process.

EXHIBIT I

Fee Schedule

EXHIBIT II

Terms of Escrow Account

The Escrow Fund shall be continuously invested in an interest-bearing account.

Exhibit C
Letter of Credit

Exhibit D

Offer Letter Language

If during the tenure of your employment with _____ (the “Company”), the Company requires you to permanently perform your job at a location in excess of 30 miles from the location of your current job, you will have the option of continuing employment or terminating employment for good reason. If your employment terminates for good reason, the Company shall, within 14 days following termination of employment, provide you the following: (1) a lump sum, payment equal to 1.5 times your annual pay; and, (2) continued medical and dental coverage under COBRA, at the Company’s expense, for a period of up to 12 months or, except that such COBRA obligation will end if you obtain similar or better coverage through other employment.

For purposes of this Offer Letter only, the term “permanently” shall mean, a duration of more than 10 working days in a rolling 12-month time period.

The termination payments described herein shall be conditioned upon your execution and delivery to the Company of a general release of liability for the Company covering all claims except those that cannot be waived under applicable Laws.

Exhibit E-1

General Release Over 40

SEPARATION AGREEMENT AND GENERAL RELEASE

This Separation Agreement and General Release (“Agreement”) dated **DATE** is between Pennsylvania-American Water Company (“American Water” or the “Company”) and **EMPLOYEE NAME** (the “Employee”).

WHEREAS, American Water will terminate Employee’s employment on **DATE** (“Separation Date”);

WHEREAS, Employee and American Water have agreed to resolve all claims and potential claims which have been, or could have been, brought by Employee against American Water arising out of Employee’s employment with American Water to date;

WHEREAS, Employee and American Water desire to document the terms of their agreement, with the parties agreeing that neither party admits wrongdoing, fault, or liability whatsoever, and that nothing herein shall be construed or interpreted as an admission of any wrongdoing, fault or liability of either party; and

NOW THEREFORE, in consideration of the mutual promises and releases contained herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Termination of Employment.** Regardless of whether Employee signs this Agreement, American Water will pay Employee, at Employee’s current base salary, through and including the Separation Date. American Water also will continue to cover Employee under American Water’s group health insurance plan through **DATE** and will pay Employee for any unused accrued vacation days through the Separation Date at Employee’s base salary rate.
2. **Separation Benefits.** **[AS SET FORTH IN APA].**
3. **Conditions of Receipt and Timing.** Employee shall not be entitled to receive the Separation Benefits until (i) Employee signs this Agreement, (ii) the seven (7)-day Revocation Period referenced in Section 9(h) below expires without Employee having exercised Employee’s right of revocation, and (iii) all Company property has been returned in accordance with Section 5(d) below. Provided that this Agreement is signed, and is not revoked, the Separation Payment will be made to Employee within sixty (60) days of the Separation Date. If a payment that is conditioned on signing this Agreement could be paid in more than one taxable year, the payment will be made in the later taxable year.
4. **No Reemployment** Employee agrees not to seek or apply for, and hereby renounces and forever waives, any and all reinstatement, new employment, or any contractual relationship, whether temporary or permanent, part-time or full time, in any capacity whatsoever, with American Water or any of its owners, members, parents, divisions, subsidiaries, affiliates or owners. Employee agrees that he shall not be hired by American Water or any of its owners, members, parents, divisions, subsidiaries, affiliates or owners, and if he is hired, he may be terminated immediately based on this Agreement without recourse.

5. **Confidentiality; Non-Disclosure; Return of Property, Disparaging Statements, References and Unemployment Compensation.**

a. Confidentiality. Employee understands and agrees that the terms and contents of this Agreement shall remain confidential by Employee or Employee's agents and representatives and shall not be disclosed, with the exception of: (1) members of Employee's immediate family, Employee's attorneys, accountants, tax or financial advisors, each of who shall be informed of this confidentiality obligation and shall agree to be bound by its terms; (2) to the Internal Revenue Service or state or local taxing authority; (3) as is expressly required or protected by law; (4) American Water press release or filing with the Securities and Exchange Commission; or any disclosures made by the Employee to pursuant to the whistleblower provisions in the Exchange Act (15 U.S.C. § 78u-6) and the Sarbanes Oxley Act of 2002 (18 U.S.C. § 1514A); (5) in any action to challenge or enforce the terms of this Agreement, provided that such disclosure by an appropriate confidentiality order to the maximum extent permitted by applicable authority. Nothing contained in this Agreement shall preclude the Employee from initiating and/or cooperating fully with any governmental investigation.

b. Non-Disclosure of Confidential Information and Intellectual Property.

Employee acknowledges that the Confidentiality Policy and Agreement, executed on [INSERT DATE], and the Intellectual Property Agreement, executed on [INSERT DATE], are incorporated by reference into this Agreement and that their terms and conditions remain in full force and effect.

c. Notice of Immunity for Confidential Disclosure of a Trade Secret to an Attorney, the Government or in a Court Filing. Federal law provides certain protections to individuals who disclose a trade secret to their attorney, a court, or a government official in certain, confidential circumstances. Specifically, federal law provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret under either of the following conditions:

- Where the disclosure is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or
- Where the disclosure is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. 18 U.S.C. § 1833(b)(1).

Federal law also provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order. 18 U.S.C. § 1833(b)(2).

d. Return of Property. Employee shall immediately return to American Water (and shall not retain any copies of) any and all property of the Company in Employee's possession, including (without limitation) all papers, documents, business plans, project pipeline

information, correspondence, office pass, keys, telephones, blackberry or other personal devices, credit cards, electronic or digitally stored information, and computer equipment.

- e. Disparaging Statements. Employee agrees not to make written (to include online or other written statements) or oral statements about American Water or Releasees (as defined in Section 6(a) below) that are negative or disparaging. Nothing in this Agreement shall preclude Employee from communicating or testifying truthfully (i) to the extent required or protected by law, (ii) to any federal, state, or local governmental agency, (iii) in response to a subpoena to testify issued by a court of competent jurisdiction, or (iv) in any action to challenge or enforce the terms of this Agreement. Employee understands that this is a material provision of this Agreement.
- f. Unemployment Compensation. American Water agrees not to oppose Employee's application for unemployment compensation benefits, if any. American Water shall, however, respond as necessary to any inquiries from any governmental agencies with respect to Employee's unemployment compensation claim.
- g. References. Employee agrees that all requests for references from prospective employers will be directed solely to the attention of **HRBP NAME, POSITION, COMPANY NAME, ADDRESS, CITY, STATE AND ZIP, PHONE, EMAIL ADDRESS.** Upon any request for a reference, **HRBP NAME** will solely confirm Employee's dates of employment with American Water, positions Employee held with American Water, and Employee's last salary earned with American Water.
- h. Taxes. As required by law, the Company will issue the appropriate IRS Form(s) at the appropriate time. Any payments provided for herein shall be reduced by any amounts required to be withheld by the Company from time to time under applicable federal, state or local income or employment tax laws or similar statutes or other provisions of law then in effect. Employee agrees that (i) Employee shall be solely responsible for all taxes, including, but not limited to, income and excise taxes, imposed on Employee in respect of amounts paid to Employee by the Company under this Agreement; (ii) Employee shall not seek reimbursement from the Company for such taxes; and (iii) Employee agrees to and does hereby indemnify and hold the Company harmless against any and all tax liability, interest, and/or penalties.

6. **General Release of Legal Claims.**

- a. Employee, on behalf of Employee, and Employee's heirs, executors, administrators, and/or assigns, does hereby releases and forever discharges American Water, together with its parents, subsidiaries, affiliates, predecessors, and successor corporations and business entities, past, present and future, and its and their agents, directors, officers, partners, employees, shareholders, insurers and reinsurers, and employee benefit plans (and the trustees, administrators, fiduciaries, insurers, and reinsurers of such plans) past, present and future, and their heirs, executors, administrators, predecessors, successors, and assigns (collectively, the "Releasees"), of and from any and all legally waivable claims, causes of actions, suits, lawsuits, debts, and demands whatsoever in law or in equity, known or unknown, suspected or unsuspected, which Employee ever had, now has or which Employee's executors administrators, or assigns hereafter may have from the beginning of time to the date Employee executes this Agreement, and including, without limitation, any claims arising from or relating to Employee's employment relationship with American Water, and the termination of such relationship, including, without limitation, any claims

arising under Title VII of the Civil Rights Act of 1964 (“Title VII”), the Americans with Disabilities Act (“ADA”), the Employee Retirement Income Security Act (“ERISA”), the Family and Medical Leave Act (“FMLA”), the Age Discrimination in Employment Act of 1967 (“ADEA”), the Older Workers Benefit Protection Act (“OWBPA”), the Pennsylvania Human Relations Act, the Pennsylvania Equal Pay Law, the Pennsylvania Whistleblower Law, the Pennsylvania Breastfeeding Rights law, the Pennsylvania Smoking in the Workplace law, the Pennsylvania Constitution, the common law of the Commonwealth of Pennsylvania, and any and all other federal, state, or local constitutional, statutory, regulatory, or common law causes of action now or hereafter recognized, and any claims for attorneys’ fees and costs. Nothing in this Agreement shall waive rights or claims that arise after the date that Employee executes this Agreement.

- b. Notwithstanding the broad scope of Section 6(a), this Agreement is not intended to bar any claims that, as a matter of applicable law, whether by statute or otherwise, cannot be waived, such as claims for workers’ compensation benefits, unemployment insurance benefits, and any claims that arise after the date that the Employee executes this Agreement. Nothing in this Agreement is intended to interfere with, prevent or prohibit Employee from filing a claim with a federal, state or local government agency that is responsible for enforcing a law on behalf of the government, such as the Equal Employment Opportunity Commission (“EEOC”) (including a challenge to the validity of this Agreement), Department of Labor (“DOL”), Securities and Exchange Commission (“SEC”) or National Labor Relations Board (“NLRB”). Nor should anything in this Agreement be read to deter or prevent Employee from cooperating with or providing information to such a governmental agency during the course of its investigation or during litigation. However, Employee understands and agrees that, that except for claims brought pursuant to the SEC’s Whistleblower Program (15 U.S.C. § 78u-6 and 18 U.S.C. § 1514A), Employee may not recover any monetary benefit or individualized relief as a result of any such claim brought on Employee’s behalf.
7. **Cooperation.** Employee agrees that Employee shall cooperate with the Company in the defense of any claim currently pending or hereinafter pursued against the Company without the payment of any additional compensation other than as set forth in this Agreement. Upon receipt of appropriate supporting documentation, American Water shall reimburse Employee for all of Employee’s approved and reasonable costs and expenses incurred in connection with such cooperation. In the case of legal proceedings involving American Water, to the extent permissible by law, Employee will notify, in writing, the individual then holding the office of General Counsel, American Water Works Service Company, Inc., 1 Water Street, Camden, NJ 08102-1658, of any subpoena or other similar notice to give testimony or provide documentation within two (2) business days of receipt of the same and prior to providing any response thereto. Nothing in this Agreement shall preclude Employee from participating in and fully cooperating with any governmental investigation.
8. **Business Expenses and Compensation.** Employee acknowledges and agrees that (i) should Employee execute this Agreement, the amounts set forth in Sections 1 and 2 are in complete satisfaction of any and all compensation and benefits due to Employee from the Company, and that no further severance, separation, compensation, benefits or other amounts are owed or will be paid to Employee by the Company, (ii) Employee has been reimbursed by American Water for all business expenses incurred in conjunction with the performance of Employee’s employment and that no other reimbursements are owed to Employee, and (iii) Employee has not suffered any on-the-job injury for which Employee has not already filed a claim.

9. **Acknowledgements.** Employee hereby certifies and acknowledges that:

- a. Employee has read the terms of this Agreement and that Employee understands its terms and effects, including the fact that Employee has agreed to **REMISE, RELEASE, AND FOREVER DISCHARGE** Releasees from all claims set forth in Section 6(a);
- b. Employee is receiving consideration which is in addition to anything of value to which Employee otherwise would have been entitled had Employee not executed this Agreement;
- c. Employee enters into this Agreement knowingly and voluntarily without any coercion on the part of any person or entity;
- d. Employee was given adequate time to consider all implications and to freely and fully consult with and seek the advice of whomever Employee deemed appropriate;
- e. Employee was advised in writing, by way of this Agreement, to consult an attorney before signing this Agreement;
- f. Employee has been given twenty-one (21) calendar days within which to consider this Agreement before signing it (“Consideration Period”) and, in the event that Employee signs this Agreement and returns it back to the Company in accordance with the Notice provision below during this Consideration Period, said signing constitutes a knowing and voluntary waiver of this Consideration Period. Employee further understands and agrees that any changes to this Agreement, whether material or immaterial, do not restart the Consideration Period;
- g. Employee shall have the right to revoke this Agreement within seven (7) calendar days after signing it (the “Revocation Period”). If the seventh day is a weekend or national holiday, Employee has until the next business day to revoke. If Employee elects to revoke this Agreement, Employee shall notify **HRBP NAME, TITLE, ADDRESS, ZIP, EMAIL** in writing of Employee’s revocation. Unless revoked within this period, this Agreement will become irrevocable on the eighth day after it is signed; and
- h. Employee does not waive rights or claims that may arise after the date this Agreement is executed.

10. **General Terms.**

- a. **Notices.** All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when delivered personally to the recipient, two (2) business days after the date when sent to the recipient by reputable express courier service (charges prepaid) or four (4) business days after the date when mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid. Such notices, demands and other communications shall be sent to Employee and to the Company at the addresses set forth below:

If to Employee:

EMPLOYEE NAME
ADDRESS

CITY, STATE ZIP

If to Company:

NAME OF CONTACT
COMPANY
ADDRESS
CITY, STATE ZIP

or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

- b. Entire Agreement. This Agreement constitutes and contains the entire agreement and understanding concerning Employee's employment and termination thereof, and the other subject matters addressed herein between the parties, and supersedes and replaces all prior negotiations and all prior agreements proposed or otherwise, whether written or oral, concerning the subject matter hereof.
- c. Modification. This Agreement can be modified only by a writing signed by both Employee and a duly authorized agent of the Company.
- d. Assignment. All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective heirs, executors, administrators, legal representatives, successors and assigns of the Company and Employee.
- e. Interpretation of Agreement. If any provision of this Agreement or application thereof to anyone under any circumstances is adjudicated to be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect any other provision or application of this Agreement which can be given effect without the invalid or unenforceable provision or application and shall not invalidate or render unenforceable such provision or application in any other jurisdiction.
- f. Choice of Law and Forum. This Agreement shall be governed by the substantive law of the state of Pennsylvania without regard to its conflict of law rules. The Company and Employee consent to the exclusive jurisdiction of the courts of Pennsylvania to adjudicate any and all disputes arising between them and hereby waive any and all objections based on alleged lack of personal jurisdiction.

The Company and Employee have carefully read and understand all of the provisions of this Agreement. They enter into this Agreement freely, knowingly, and voluntarily. In entering into this Agreement, neither the Company nor Employee is relying upon any representations or promises not expressly set forth in this Agreement. Intending to be legally bound to this Agreement, the Company's representative and Employee sign their names below.

NAME OF AUTHORIZED PARTY

TITLE

COMPANY

EMPLOYEE NAME

Dated: _____, 2022

Dated: _____, 2022

Exhibit E-2

General Release Under 40

SEPARATION AGREEMENT AND GENERAL RELEASE

This Separation Agreement and General Release (“Agreement”) dated **DATE** is between Pennsylvania-American Water Company (“American Water” or the “Company”) and **EMPLOYEE NAME** (the “Employee”).

WHEREAS, American Water will terminate Employee’s employment on **DATE** (“Separation Date”);

WHEREAS, Employee and American Water have agreed to resolve all claims and potential claims which have been, or could have been, brought by Employee against American Water arising out of Employee’s employment with American Water to date;

WHEREAS, Employee and American Water desire to document the terms of their agreement, with the parties agreeing that neither party admits wrongdoing, fault, or liability whatsoever, and that nothing herein shall be construed or interpreted as an admission of any wrongdoing, fault or liability of either party; and

NOW THEREFORE, in consideration of the mutual promises and releases contained herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Termination of Employment.** Regardless of whether Employee signs this Agreement, American Water will pay Employee, at Employee’s current base salary, through and including the Separation Date. American Water also will continue to cover Employee under American Water’s group health insurance plan through **DATE** and will pay Employee for any unused accrued vacation days through the Separation Date at Employee’s base salary rate.
2. **Separation Benefits.** [**AS SET FORTH IN APA**].
3. **Conditions of Receipt and Timing.** Employee shall not be entitled to receive the Separation Benefits until (i) Employee signs this Agreement and (ii) all Company property has been returned in accordance with Section 5(d) below. The Separation Payment will be made the Employee within sixty (60) days of the Separation Date. If a payment that is conditioned on signing this Agreement could be paid in more than one taxable year, the payment will be made in the later taxable year.
4. **No Reemployment** Employee agrees not to seek or apply for, and hereby renounces and forever waives, any and all reinstatement, new employment, or any contractual relationship, whether temporary or permanent, part-time or full time, in any capacity whatsoever, with American Water or any of its owners, members, parents, divisions, subsidiaries, affiliates or owners. Employee agrees that he shall not be hired by American Water or any of its owners, members, parents, divisions, subsidiaries, affiliates or owners, and if he is hired, he may be terminated immediately based on this Agreement without recourse.

5. **Confidentiality; Non-Disclosure; Return of Property, Disparaging Statements, References and Unemployment Compensation.**

a. Confidentiality. Employee understands and agrees that the terms and contents of this Agreement shall remain confidential by Employee or Employee's agents and representatives and shall not be disclosed, with the exception of: (1) members of Employee's immediate family, Employee's attorneys, accountants, tax or financial advisors, each of who shall be informed of this confidentiality obligation and shall agree to be bound by its terms; (2) to the Internal Revenue Service or state or local taxing authority; (3) as is expressly required or protected by law; (4) American Water press release or filing with the Securities and Exchange Commission; or any disclosures made by the Executive to pursuant to the whistleblower provisions in the Exchange Act (15 U.S.C. § 78u-6) and the Sarbanes Oxley Act of 2002 (18 U.S.C. § 1514A); (5) in any action to challenge or enforce the terms of this Agreement, provided that such disclosure by an appropriate confidentiality order to the maximum extent permitted by applicable authority. Nothing contained in this Agreement shall preclude the Employee from initiating and/or cooperating fully with any governmental investigation.

b. Non-Disclosure of Confidential Information and Intellectual Property.

Employee acknowledges that the Confidentiality Policy and Agreement, executed on [INSERT DATE], and the Intellectual Property Agreement, executed on [INSERT DATE], are incorporated by reference into this Agreement and that their terms and conditions remain in full force and effect.

c. Notice of Immunity for Confidential Disclosure of a Trade Secret to an Attorney, the Government or in a Court Filing. Federal law provides certain protections to individuals who disclose a trade secret to their attorney, a court, or a government official in certain, confidential circumstances. Specifically, federal law provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret under either of the following conditions:

- Where the disclosure is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or
- Where the disclosure is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. See 18 U.S.C. § 1833(b)(1).

Federal law also provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order. See 18 U.S.C. § 1833(b)(2).

c. Return of Property. Employee shall immediately return to American Water (and shall not retain any copies of) any and all property of the Company in Employee's possession, including (without limitation) all papers, documents, business plans, project pipeline

information, correspondence, office pass, keys, telephones, blackberry or other personal devices, credit cards, electronic or digitally stored information, and computer equipment.

- d. Disparaging Statements. Employee agrees not to make written (to include online or other written statements) or oral statements about American Water or Releasees (as defined in Section 6(a) below) that are negative or disparaging. Nothing in this Agreement shall preclude Employee from communicating or testifying truthfully (i) to the extent required or protected by law, (ii) to any federal, state, or local governmental agency, (iii) in response to a subpoena to testify issued by a court of competent jurisdiction, or (iv) in any action to challenge or enforce the terms of this Agreement. Employee understands that this is a material provision of this Agreement.
- e. Unemployment Compensation. American Water agrees not to oppose the Employee's application for unemployment compensation benefits, if any. American Water shall, however, respond as necessary to any inquiries from any governmental agencies with respect to the Employee's unemployment compensation claim.
- f. References. Employee agrees that all requests for references from prospective employers will be directed solely to the attention of **HRBP NAME, POSITION, COMPANY NAME, ADDRESS, CITY, STATE AND ZIP, PHONE, EMAIL ADDRESS.** Upon any request for a reference, **HRBP NAME** will solely confirm the Employee's dates of employment with American Water, positions the Employee held with American Water, and Employee's last salary earned with American Water.
- g. Taxes. As required by law, the Company will issue the appropriate IRS Form(s) at the appropriate time. Any payments provided for herein shall be reduced by any amounts required to be withheld by the Company from time to time under applicable federal, state or local income or employment tax laws or similar statutes or other provisions of law then in effect. Employee agrees that (i) Employee shall be solely responsible for all taxes, including, but not limited to, income and excise taxes, imposed on Employee in respect of amounts paid to the Employee by the Company under this Agreement; (ii) Employee shall not seek reimbursement from the Company for such taxes; and (iii) Employee agrees to and does hereby indemnify and hold the Company harmless against any and all tax liability, interest, and/or penalties.

6. **General Release of Legal Claims.**

- a. Employee, on behalf of Employee, and Employee's heirs, executors, administrators, and/or assigns, does hereby releases and forever discharges American Water, together with its parents, subsidiaries, affiliates, predecessors, and successor corporations and business entities, past, present and future, and its and their agents, directors, officers, partners, employees, shareholders, insurers and reinsurers, and employee benefit plans (and the trustees, administrators, fiduciaries, insurers, and reinsurers of such plans) past, present and future, and their heirs, executors, administrators, predecessors, successors, and assigns (collectively, the "Releasees"), of and from any and all legally waivable claims, causes of actions, suits, lawsuits, debts, and demands whatsoever in law or in equity, known or unknown, suspected or unsuspected, which Employee ever had, now has or which Employee's executors administrators, or assigns hereafter may have from the beginning of time to the date Employee executes this Agreement, and including, without limitation, any claims arising from or relating to Employee's employment relationship with American Water, and the termination of such relationship, including, without limitation, any claims

arising under Title VII of the Civil Rights Act of 1964 (“Title VII”), the Americans with Disabilities Act (“ADA”), the Employee Retirement Income Security Act (“ERISA”), the Family and Medical Leave Act (“FMLA”), the Pennsylvania Human Relations Act, the Pennsylvania Equal Pay Law, the Pennsylvania Whistleblower Law, the Pennsylvania Breastfeeding Rights law, the Pennsylvania Smoking in the Workplace law, the Pennsylvania Constitution, the common law of the Commonwealth of Pennsylvania, and any and all other federal, state, or local constitutional, statutory, regulatory, or common law causes of action now or hereafter recognized, and any claims for attorneys’ fees and costs. Nothing in this Agreement shall waive rights or claims that arise after the date that Employee executes this Agreement.

- b. Notwithstanding the broad scope of Section 6(a), this Agreement is not intended to bar any claims that, as a matter of applicable law, whether by statute or otherwise, cannot be waived, such as claims for workers’ compensation benefits, unemployment insurance benefits, and any claims that arise after the date that the Employee executes this Agreement. Nothing in this Agreement is intended to interfere with, prevent or prohibit Employee from filing a claim with a federal, state or local government agency that is responsible for enforcing a law on behalf of the government, such as the Equal Employment Opportunity Commission (“EEOC”) (including a challenge to the validity of this Agreement), Department of Labor (“DOL”), Securities and Exchange Commission (“SEC”) or National Labor Relations Board (“NLRB”). Nor should anything in this Agreement be read to deter or prevent Employee from cooperating with or providing information to such a governmental agency during the course of its investigation or during litigation. However, Executive understands and agrees that, that except for claims brought pursuant to the SEC’s Whistleblower Program (15 U.S.C. § 78u-6 and 18 U.S.C. § 1514A), Executive may not recover any monetary benefit or individualized relief as a result of any such claim brought on Executive’s behalf.
7. **Cooperation.** Employee agrees that Employee shall cooperate with the Company in the defense of any claim currently pending or hereinafter pursued against the Company without the payment of any additional compensation other than as set forth in this Agreement. Upon receipt of appropriate supporting documentation, American Water shall reimburse Employee for all of Employee’s approved and reasonable costs and expenses incurred in connection with such cooperation. In the case of legal proceedings involving American Water, to the extent permissible by law, Employee will notify, in writing, the individual then holding the office of General Counsel, American Water Works Service Company, Inc., 1 Water Street, Camden, NJ 08102-1658, of any subpoena or other similar notice to give testimony or provide documentation within two (2) business days of receipt of the same and prior to providing any response thereto. Nothing in this Agreement shall preclude the Employee from participating in and fully cooperating with any governmental investigation.
8. **Business Expenses and Compensation.** Employee acknowledges and agrees that (i) should the Employee execute this Agreement, the amounts set forth in Sections 1 and 2 are in complete satisfaction of any and all compensation and benefits due to Employee from the Company, and that no further severance, separation, compensation, benefits or other amounts are owed or will be paid to Employee by the Company, (ii) Employee has been reimbursed by American Water for all business expenses incurred in conjunction with the performance of Employee’s employment and that no other reimbursements are owed to Employee, and (iii) Employee has not suffered any on-the-job injury for which the Employee has not already filed a claim.

9. **Acknowledgements.** Employee hereby certifies and acknowledges that:
- i. Employee has read the terms of this Agreement and that Employee understands its terms and effects, including the fact that Employee has agreed to **REMISE, RELEASE, AND FOREVER DISCHARGE** Releasees from all claims set forth in Section 6(a);
 - j. Employee is receiving consideration which is in addition to anything of value to which Employee otherwise would have been entitled had Employee not executed this Agreement;
 - k. Employee enters into this Agreement knowingly and voluntarily without any coercion on the part of any person or entity;
 - l. Employee has been given fourteen (14) calendar days within which to consider this Agreement before signing it and this 14-day period was adequate time to consider all implications and to freely and fully consult with and seek the advice of whomever the Employee deemed appropriate;
 - m. Employee was advised in writing, by way of this Agreement, to consult an attorney before signing this Agreement;
 - n. Employee understands that Employee may not execute this Agreement prior to the Separation Date; and
 - o. Employee does not waive rights or claims that may arise after the date this Agreement is executed.

10. **General Terms.**

- a. **Notices.** All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when delivered personally to the recipient, two (2) business days after the date when sent to the recipient by reputable express courier service (charges prepaid) or four (4) business days after the date when mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid. Such notices, demands and other communications shall be sent to the Employee and to the Company at the addresses set forth below:

If to Employee:

EMPLOYEE NAME
ADDRESS
CITY, STATE ZIP

If to Company:

NAME OF CONTACT
COMPANY
ADDRESS
CITY, STATE ZIP

or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

- b. Entire Agreement. This Agreement constitutes and contains the entire agreement and understanding concerning Employee's employment and termination thereof, and the other subject matters addressed herein between the parties, and supersedes and replaces all prior negotiations and all prior agreements proposed or otherwise, whether written or oral, concerning the subject matter hereof.
- c. Modification. This Agreement can be modified only by a writing signed by both the Employee and a duly authorized agent of the Company.
- d. Assignment. All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective heirs, executors, administrators, legal representatives, successors and assigns of the Company and Employee.
- e. Interpretation of Agreement. If any provision of this Agreement or application thereof to anyone under any circumstances is adjudicated to be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect any other provision or application of this Agreement which can be given effect without the invalid or unenforceable provision or application and shall not invalidate or render unenforceable such provision or application in any other jurisdiction.
- f. Choice of Law and Forum. This Agreement shall be governed by the substantive law of the state of Pennsylvania without regard to its conflict of law rules. The Company and Employee consent to the exclusive jurisdiction of the courts of Pennsylvania to adjudicate any and all disputes arising between them and hereby waive any and all objections based on alleged lack of personal jurisdiction.

The Company and Employee have carefully read and understand all of the provisions of this Agreement. They enter into this Agreement freely, knowingly, and voluntarily. In entering into this Agreement, neither the Company nor Employee is relying upon any representations or promises not expressly set forth in this Agreement. Intending to be legally bound to this Agreement, the Company's representative and Employee sign their names below.

NAME OF AUTHORIZED PARTY

TITLE

COMPANY

EMPLOYEE NAME

Dated: _____, 2022

Dated: _____, 2022

Exhibit F

Memorandum of Understanding

This Memorandum of Understanding (the “MOU”) is entered into on this ___ day of _____ 202___ between Butler Area Sewer Authority (the “Authority”), and The American Federation of State, County and Municipal Employees – AFL-CIO Butler Area Sewer Authority Employees, District Council 84 (the “Union”) (collectively the Parties”). It shall be effective on the date the MOU is signed and dated by the Parties.

WHEREAS, the Authority and the Union are parties to a collective bargaining agreement that is effective January 1, 2020 through December 31, 2023 (“CBA”); and

WHEREAS, the Authority and the Union agree that employees represented by the Union should not be forced to permanently work farther than 30 miles away from the location of their current job; and

WHEREAS, the Parties, with the intent to be legally bound, agree to the following:

AGREEMENT

1. No employee represented by the Union shall be forced to permanently work from a location that is more than 30 miles away from the location of their current job, except by mutual agreement of the Parties.
2. For the purposes of this MOU only, the term “permanently” shall mean, a duration of more than 10 working days in a rolling 12-month time period.
3. This MOU and the CBA sets forth the entire agreement between the Parties, and supersedes any and all prior agreements, discussions, understandings, promises and expectations between the Parties concerning the above-referenced matters.

BUTLER AREA SEWER AUTHORITY

By: _____
Dated: _____

THE AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES –
AFL-CIO BUTLER AREA SEWER
AUTHORITY EMPLOYEES, DISTRICT
COUNCIL 84

By: _____
Dated: _____

Exhibit G

Bill of Sale

THIS BILL OF SALE is made as of this ___ day of _____, 202__, by and between Butler Area Sewer Authority (the “Seller”) and [_____] (the “Buyer”).

BACKGROUND:

A. Seller and Buyer entered into that certain Asset Purchase Agreement dated _____, 2022 (the “Agreement”), pursuant to which Seller has agreed, among other things, to sell, transfer, convey, assign and deliver to Buyer and Buyer has agreed to purchase from Seller the Acquired Assets, including, without limitation, all of its personal property and fixed assets including equipment, machinery, vehicles, and auxiliary equipment as more thoroughly described on Exhibit “A” attached hereto and incorporated herein by reference (“Personal Property”).

B. Seller desires hereunder to transfer and assign to Buyer the Personal Property pursuant to the Agreement and Buyer desires to accept the sale, transfer, conveyance, assignment and delivery thereof.

C. All capitalized terms not defined herein shall have the meaning ascribed to such term in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained in the Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Transfer and Assignment. Seller hereby sells, transfers, assigns, delivers and conveys to Buyer, its successors and assigns, all of Seller's right, title and interest in, to and under the Personal Property.

2. Acceptance of Transfer and Assignment. Buyer hereby accepts the transfer, conveyance, assignment and delivery of the Personal Property.

3. Absolute Transfer. It is the intention of Seller to transfer absolute title of the Personal Property to Buyer.

4. Counterparts. This Bill of Sale may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which shall together constitute one and the same instrument. This Bill of Sale shall be binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected on this Bill of Sale as the signatories.

5. Governing Law. This Bill of Sale shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without giving effect to the conflicts of laws principles thereof.

6. Binding Effect. This Bill of Sale shall be binding upon and inure to the benefit of Seller and Buyer and their respective successors and assigns.

[Remainder of Page Intentionally Blank; Signature Page Immediately Follows]

IN WITNESS WHEREOF, the undersigned have caused this Bill of Sale to be duly executed on the day and year first above written.

SELLER:

BUTLER AREA SEWER AUTHORITY

By: _____

Name: _____

Title: _____

BUYER:

[_____]

By: _____

Name: _____

Title: _____

EXHIBIT A

Personal Property

Exhibit H

Assignment and Assumption Agreement

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assignment") is entered into effective as of this ___ day of _____, 202__, by and between Butler Area Sewer Authority (the "Assignor") and [_____] (the "Assignee").

A. Assignor, as seller, and Assignee, as purchaser, are parties to that certain Asset Purchase Agreement dated _____, 2022 (the "Purchase Agreement"), pursuant to which Assignor has agreed, among other things, to sell, transfer, convey, assign and deliver to Assignee and Assignee has agreed to purchase from Assignor the Acquired Assets.

B. The Purchase Agreement contemplates that at Closing, Assignor will assign to Assignee and Assignee will accept and assume, all of Assignor's right, title and interest in and to any and all Assigned Contracts and Authorizations and Permits (the "Assigned Business Deliverables") necessary for the operation of the Acquired Assets.

C. Unless herein otherwise defined, all terms defined in the Purchase Agreement shall have the meanings ascribed to them in the Purchase Agreement when used in this Assignment.

NOW, THEREFORE, in consideration of mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1. Assignment of Assigned Business Deliverables. To the extent assignable, Assignor hereby assigns, transfers, sets over, conveys and delivers to Assignee, and Assignee hereby accepts, all of Assignor's right, title and interest in and to all Assigned Business Deliverables, together with all rights and privileges of any nature thereunder accruing to Assignor on or after the date hereof.

2. Indemnification by Assignor. Assignor hereby agrees to indemnify, defend and hold harmless Assignee and the Buyer Indemnified Persons from and against any and all claims for Losses in accordance with Section 8.02 of the Purchase Agreement.

3. Indemnification by Assignee. Assignee hereby agrees to indemnify, defend and hold harmless Assignor and the Seller Indemnified Persons from and against any and all claims for Losses in accordance with Section 8.03 of the Purchase Agreement.

4. Counterparts. This Assignment may be executed in any number of identical counterparts, each of which may be executed by any one or more of the parties hereto, all of which shall together constitute one and the same instrument, and shall be binding and effective when each party hereto has executed and delivered to the other party at least one counterpart. Counterparts delivered via email (.pdf) or facsimile shall be deemed to be originals for all purposes.

5. Successors and Assigns. The terms and provisions of this Assignment shall be binding upon and inure to the benefit of the respective parties hereto, and their respective successors and assigns.

6. Governing Law. This Assignment shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Pennsylvania (without giving effect to Pennsylvania's principles of conflicts of law) and the applicable laws of the United States of America.

7. Further Assurances. Assignor acknowledges and agrees that it shall use commercially reasonable efforts to assist Assignee with notice to the other contract parties under the Assigned Contracts with respect to the execution and effect of this Assignment. Without limiting the foregoing, Assignor acknowledges and agrees that it shall use commercially reasonable efforts as requested to by Assignee to effectuate the assignment of any additional contracts, permits, authorizations, licenses and warranties not covered hereunder.

8. Absolute Assignment. It is the intention of Seller to transfer absolute title of the Assigned Business Deliverables to Buyer, its successors and assigns, free of any redemption by Seller or its successors and assigns.

**[REMAINDER OF PAGE INTENTIONALLY BLANK;
SIGNATURE PAGE IMMEDIATELY FOLLOWS]**

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed as of the day and year first written above.

ASSIGNOR:

BUTLER AREA SEWER AUTHORITY

By: _____

Name: _____

Title: _____

ASSIGNEE:

[_____]

By: _____

Name: _____

Title: _____

Exhibit I

Joinder Agreement

ASSET PURCHASE AGREEMENT

JOINDER AGREEMENT

Reference is hereby made to the Asset Purchase Agreement (the “Agreement”) by and between The Butler Area Sewer Authority, as seller (the “Seller”) and [_____], as buyer (the “Buyer”) dated _____, 2022, as amended from time to time. Pursuant to and in accordance with the Agreement, the undersigned hereby acknowledge that they have received and reviewed a complete copy of the Agreement and agree that upon execution of this Joinder Agreement, such Creating Municipalities shall be bound by, and subject to, the covenants, terms and conditions Sections 7.06, 7.11, 9.02, 9.05 and 15.08 of the Agreement as though an original party thereto, as well as those rights and benefits enumerated in such sections of the Agreement.

Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Agreement.

**[REMAINDER OF PAGE INTENTIONALLY BLANK;
SIGNATURE PAGE IMMEDIATELY FOLLOWS]**

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement as of the ____ day of _____, 2022.

CITY OF BUTLER

By: _____

Name:

Title:

TOWNSHIP OF BUTLER

By: _____

Name:

Title:

Acknowledged and accepted:

SELLER:

BUTLER AREA SEWER AUTHORITY

By: _____

Name:

Title:

BUYER:

[_____]

By: _____

Name:

Title:

Schedule 2.02(g)

Excluded Assets

1. Original MUNIS accounting software – if desired, a copy of the original MUNIS database can be made under an account to which Buyer can separately subscribe
2. Up to three computers
3. Printronix printer
4. HP printer
5. All original tax filings & records including Form W-2s and 1099s as well as any documents required to support those filings such as form W-9s
6. All payroll files, electronic and paper, for the most recent year
7. Retiree files and related OPEB reports and records
8. Medical records
9. All bank and trust statements
10. Original bond issue and Pennvest closing documents
11. Minutes of the Seller and permanent records including the annual audits, annual engineering reports, and insurance contracts

Schedule 4.05

Consents and Approvals

1. Pennsylvania Public Utility Commission (“PaPUC”) Approval of Transaction
2. DEP Approval of Permit Transfers
3. DEP Act 537 Plan Special Study Approval
4. Consents to assign certain Assigned Contracts

Schedule 4.06

Undisclosed Liabilities

None.

Schedule 4.07

Absence of Certain Changes or Events

None.

Schedule 4.08

Unpaid Taxes and Tax Claims

None.

Schedule 4.09

Real Property and Easements; Liens

Real Property: Main Plant and Satellite Facilities

1. Monroe Street PS and EQ PS: 151 South Monroe Street, Butler, PA 16001 (Parcel ID No. 561-25-54B-0000)
2. Zeigler Avenue PS: 468 Zeigler Avenue, Butler, PA 16001 (Parcel ID No. 561-63-6A-0000)
3. Center Avenue PS: 120 Center Avenue, Butler, PA 16001 (Parcel ID No. 561-5-144B-0000)
4. Diamond Street PS: 535 West Diamond Street, Butler, PA 16001 (appears to be in the Diamond Street right of way between Parcel ID No. 563-26-90A and 563-26-8XB)
5. Negley Avenue PS: 521 Negley Avenue, Butler, PA 16001 (Parcel ID No. 563-6-240B-0000)
6. Monroe Street EQ Facility: 331 and 335 East Cunningham Street, Butler, PA 16001 (Parcel ID No. 562-25-58A-0000 and 562-25-38C-0000)
7. Central Storage EQ Facility: 519 Negley Avenue, Butler, PA 16001 (Parcel ID No. 563-6-240B-0000)
8. Ball Park EQ PS: 127.5 Pillow Street, Butler, PA 16001 (Parcel ID No. 563-26-91A-0000)
9. Connoquenessing EQ PS: 130 Etna Street, Butler, PA 16001 (Parcel ID No. 563-3-1-0000)
10. WWTP (Laboratory): 100 Litman Road, Butler, PA 16001 (Parcel ID No. 051-37-7-0000)
11. Greenwood Drive PS: 200 Greenwood Drive, Butler, PA 16001 (Parcel ID No. 056-1-5E-0000)
12. Benbrook Road PS: 524 South Benbrook Road, Butler, PA 16001 (Parcel ID No. 056-9-11C-0000)
13. Bryson Road PS: 106 Bryson Road, Butler, PA 16001 (Parcel ID No. 056-9-11D-0000)
14. Rocklick Creek PS: 433 Saw Mill Run Road, Butler, PA 16001 (Parcel ID No. 054-34-2A-0000)
15. Deshon Area PS, EQ PS and EQ Facility: 120 Saw Mill Run Road, Butler, PA 16001 (Parcel ID No. 054-35-X-0000)
16. Township Line PS: 106 Township Line Road, Butler, PA 16002 (Parcel ID No. 051-61-12A-0000)
17. Garden Grove PS: 119 Garden Grove Drive, Butler, PA 16002 (Parcel ID No. 051-61-D20A-0000)
18. Sugarcreek PS: 199 Dutchtown Road, Butler, PA 16002 (Parcel ID No. 051-62-5AA1-0000)
19. Pullman Center PS: 1A Armco Drive, Butler, PA 16001 (Parcel ID unknown) (located in a right of way off of Standard Avenue in the Pullman Center Business Park Subdivision No. 2)
20. September Drive PS: 139A September Drive, Butler, PA 16002 (located in the September Drive right of way in front of Parcel ID No. 051-55-A8)
21. Foxcroft Drive PS: 104A Foxcroft Drive, Butler, PA 16001 (located in an easement between Parcel ID No. 051-047-A30 and 051-47-A31 on Foxcroft Drive)
22. The Links PS: 112A Aubrey Drive, Butler, PA 16001 (located in the Aubrey Drive right of way in front of Parcel ID No. 056-4-2A)
23. Karns Crossing PS: 154 Bonnie Drive, Butler, PA 16001 (Parcel ID No. 053-24-D1B-0000)
24. Northvue PS: 101 Puff Lane, Butler, PA 16001 (Parcel ID No. 060-S16-DB-0000)
25. Fisher Heights PS: 2019 William Flynn Highway, Butler, PA 16001 (Parcel ID No. 060-3F41-41H-0000)
26. Brewster Road PS: 306 East Brewster Road, Butler, PA 16001 (Parcel ID No. 060-2F104-4C-0000)
27. Brewster Booster PS: 171 East Brewster Road, Butler, PA 16001 (Parcel ID No. 060-2F104-8HA-0000)
28. Cupps Road PS: 151 Cupps Road, Renfrew, PA 16053 (Parcel ID No. 120-3F47-13A-0000)

Additional Owned Real Property

1. 125 Pittsburgh Road (Parcel ID Nos. 051-37-7B-0000 and 051-37-7-0000)

2. 119 Pittsburgh Road (Parcel ID No. 051-37-12A-0000)
3. 121 Pittsburgh Road (Parcel ID No. 051-37-12C-0000)
4. 105 Morton Avenue (Parcel ID No. 0561-3-67-0000)
5. 122 Center Avenue (Parcel ID No. 562-5-147-0000)

Easements and Rights of Way: see spreadsheet titled "Property Records"

Schedule 4.10

Equipment and Machinery; Associated Liens

All of the equipment, machinery and office devices as shown on the 2022 Butler Area Sewer Authority 2022 Insurable Values Report located at the following sites:

- Wastewater Treatment Plant, 100 Litman Road:
 - Administrative Office Building (BLDG, P020)
 - Solids Disposal Building (BLDG, PS60)
 - Maintenance Building (BLDG, PM10)
 - Trickling Filter #1 (BLDG, PT61)
 - Trickling Filter #2 (BLDG, PT62)
 - Trickling Filter Collection Box A (BLDG, PT66)
 - Trickling Filter Collection Box B (BLDG, PT67)
 - Trickling Filter Collection Box C (BLDG, PT68)
 - Trickling Filter Distribution Box (BLDG, PT69)
 - Sludge Thickener Building (BLDG, PS50)
 - Aeration Tanks (BLDG, PA21)
 - Blower Building (BLDG, PB20)
 - Secondary Sedimentation Tanks (BLDG, PS21)
 - Pump Station (BLDG, PP80)
 - Primary Sedimentation Tank #1 (BLDG, PP61)
 - Primary Sedimentation Tank #2 (BLDG, PP63)
 - Lab Building (BLDG, PL20)
 - Garage (BLDG, PL10)
 - Grit Building (BLDG, PG60)
 - Meter Pit (BLDG, PP71)
 - Reactor Clarifier (BLDG, PR11)
 - Chemical Building (BLDG, PC40)
 - Carbon Dioxide Tank (BLDG, PC20)
 - Influent Monitoring Chamber (BLDG, P150)
 - Carbon Dioxide Tank Pad (BLDG, PC21)
 - Effluent Bypass Chamber (BLDG, PE20)
 - Old Pump House (BLDG, PP72)
 - Chlorine Contact Tank (BLDG, PC60)
 - Plant Outfall Chamber (BLDG, PE22)
 - Bypass Flow Monitoring Chamber (BLDG, PI11)
 - Junction Box (BLDG, P110)
 - Collection Chamber (BLDG, PE21)
 - Manhole #8 (BLDG, PP70)
 - Employee Locker Room Building (BLDG, PE40)
 - Throughout (BLDG, PT20)
 - PITO (BLDG, PP40)
 - Sewer Maintenance Building (BLDG, PS40)
 - Screening Building (BLDG, PS41)
 - Curling/Storage Building (BLDG, PS42)
- 524 South Benbrook Road:
 - Benbrook Pump Station (BLDG, SB10)
 - PITO (BLDG, SB11)
- 171 East Brewster Road:

- Brewster Road Booster Pump Station (BLDG, SB40)
 - PITO (BLDG, SB42)
- 306 East Brewster Road:
 - Brewster Road Pump Station (BLDG, SB30)
 - PITO (BLDG, SB31)
- 106 Bryson Road:
 - Bryson Road Pump Station (BLDG, SB70)
 - PITO (BLDG, SB71)
- 120 Center Avenue:
 - Center Avenue Pump Station (BLDG, SC20)
- 151 Cupps Road:
 - Cupps Road Pump Station (BLDG, SC80)
 - PITO (BLDG, SC81)
- 120 Saw Mill Run Road:
 - Deshon Pump Station (BLDG, SD20)
 - Deshon Pump Station Screening Building/Pump Well (BLDG, ED70)
 - Deshon Pump Station Generator Building/Pump Control (BLDG, ED50)
 - Deshon Pump Station Overflow Chamber (BLDG, ED60)
 - Deshon Pump Station Washdown Booster P/S (BLDG, ED40)
 - Deshon Pump Station Equalization Tank #1 (BLDG, ED22)
 - Deshon Pump Station Equalization Tank #2 (BLDG, ED21)
 - Deshon Pump Station Water Meter Vault (BLDG, ED30)
 - Deshon Pump Station PITO (BLDG, ED31)
- 535 West Diamond Street:
 - Diamond Street Pump Station (BLDG, SD40)
- 2019 William Flynn Highway:
 - Fisher Heights Pump Station (BLDG, SF30)
 - PITO (BLDG, SF31)
- 104A Foxcroft Drive:
 - Foxcroft Drive Pump Station (BLDG, SF60)
- 119 Garden Grove Drive:
 - Garden Grove Pump Station (BLDG, SG10)
- 200 Greenwood Drive:
 - Greenwood Drive Pump Station (BLDG, SG70)
 - PITO (BLDG, SG71)
- 154 Bonnie Drive:
 - Karns Crossing Pump Station (BLDG SK10)
 - PITO (BLDG, SK13)
- 112A Aubrey Drive:
 - The Links Pump Station (BLDG, ST20)
- 151 South Monroe Street:
 - Monroe Street Pump Station (BLDG, SM50)
 - Monroe Street EQ Pump Station Pump Well (BLDG, EM60)
 - PITO (BLDG, EM70)
- 521 Negley Avenue:
 - Negley Avenue Pump Station (BLDG, SN20)
- 101 Puff Lane:
 - Northvue Pump Station (BLDG, SN50)
 - PITO (BLDG, SN52)
- 433 Saw Mill Run Road:

- Rock Lick Creek Pump Station (BLDG, SR50)
 - PITO (BLDG, SR52)
- 331 East Cunningham Street:
 - Monroe EQ Facility Washdown Booster P/S (BLDG, EM30)
 - Monroe EQ Facility Equalization Tank #1 (BLDG, EM21)
 - Monroe EQ Facility Equalization Tank #2 (BLDG, EM22)
 - Monroe EQ Facility Water Meter Pit (BLDG, EM31)
 - Monroe EQ Facility PITO (BLDG, EM40)
- 106 Township Line Road:
 - Township Line Pump Station (BLDG, ST60)
 - PITO (BLDG, ST62)
- 139A September Drive:
 - September Drive Pump Station (BLDG, SS20)
- 199 Dutchtown Road:
 - Sugarcreek Pump Station (BLDG, SS80)
 - PITO (BLDG, SS82)
- Ziegler Avenue:
 - Ziegler Avenue Pump Station (BLDG, SZ20)
- 1A Armco Drive:
 - Pullman Center Pump Station (BLDG, SP70)
 - PITO (BLDG, SP72)
- 130 Etna Street:
 - Connoquenessing EQ Pump Station Generator Building/Pump Control (BLDG, EC70)
 - Connoquenessing EQ Pump Station Screening Building/Pump Station (BLDG, EC81)
 - Connoquenessing EQ Pump Station Diversion Chamber (BLDG, EC80)
 - Connoquenessing EQ Pump Station Valve Vault (BLDG, EC60)
 - PITO (BLDG, EC82)
- 127.5 Pillow Street:
 - Ball Park EQ Pump Station Generator Building/Pump Control (BLDG, EB10)
 - Ball Park EQ Pump Station Screening Building/Pump Well (BLDG, EB30)
 - Ball Park Pump Station Diversion Chamber (BLDG, EB20)
 - Ball Park Pump Station Overflow Manhole (BLDG, EB21)
 - Ball Park Pump Station PITO (BLDG, EB40)
- 519 Negley Avenue:
 - Central EQ Facility Washdown Booster P/S (BLDG, EC40)
 - Central EQ Facility Water Meter Vault (BLDG, EC41)
 - Central EQ Facility Equalization Tank #1 (BLDG, EC31)
 - Central EQ Facility Equalization Tank #2 (BLDG, EC32)
 - Central EQ Facility Equalization Tank #3 (BLDG, EC33)
 - Central EQ Facility PITO (BLDG, EC20)

B.A.S.A. VEHICLE NUMBER	YEAR	DESCRIPTION	VIN NUMBER NUMBER (VIN NO.)	PLATE NO. LICENSE	GVWR (Pounds)	CURRENT MILEAGE	ORIGINAL COST (Dollars)	GAS/DIESEL MOTOR	YEARS OLD 2022	INSERVICE DATE
LIGHT TRUCKS (≤10,000 lbs GVWR)										
33	2009	Ford F350 Super Duty 4x4 Pickup Truck (Maint #2)	1FTSF315X9EB25462	MG-9668E	10,000	26,811	\$21,780	Gas	13	7/8/2009
38	2011	Ford E350 Econoline Sewer TV Van	1FTSS3E9S9BDA42208	MG-7365F	9,500	9,728	\$126,274	Gas	11	3/9/2011
39	2011	Ford Ranger Super Cab 4x4 Pickup Truck	1FTLR4FE1BPA51062	MG-5335E	5,150	66,644	\$20,187	Gas	11	10/18/2011
40	2012	Ford E350 Econoline SD Cargo Van (Dye Test 2)	1FTSE3EL4CDA53375	MG-41778G	9,500	66,086	\$22,780	Gas	10	2/21/2012
41	2012	Ford F350 Service Body Truck (Pump Stations)	1FD7X3F60CEB84379	MG-4173G	9,800	88,684	\$36,808	Gas	10	7/3/2012
42	2012	Ford F250 Super Duty 4x4 Ext. Cab Pickup Truck	1FT7X2B65CEA86260	MG-5710G	10,000	66,076	\$28,476	Gas	10	10/1/2012
43	2014	Ford 250 Locating Truck	1FTBF2B61EEB59575	MG-4324H	10,000	83,855	\$25,851	Gas	8	5/3/2014
44	2017	Ford Explorer (Engineering)	1FM5K8D82HGB29225	MG-0098K	>10,000	21,854	\$31,358	Gas	5	2/15/2017
45	2018	Ford 350 Sewer Maint. (Brian)	1FD8X3B69JEB92780	MG-0207L	11,500	30,054	\$43,015	Gas	4	7/10/2018
46	2019	Ford Transit Van (Dye Test 1)	1FDBW9CM9KKB56700	MG-7459L	10,000	7,952	\$35,000	Gas	3	8/27/2019
47	2020	Ford Super Duty	1FT7W2B68LED96177	MG-4733M	>10,000	745	\$33,881	Gas	2	10/12/2021
48	2022	Ford Super Duty, F-350	1FT8X3B6XNEC26669	PA-ZSX-8700	>10,000	58	\$39,905	Gas	0	9/14/2021
50	2022	Ford Transit (really van)	1FDBW9CG5NKA60819	21L7992	6		\$40,376	Gas	0	8/26/2022
MEDIUM TRUCKS (10,001 TO 26,000 lbs GVWR)										
34	2011	International 4400 Aluminum Body Dump Truck	1HTMKAAL4BH384074	MG-7020F	25,999	11,778	\$90,500	Diesel	11	4/1/2011
35	2011	Ford F450 4x2 Aluminum Body Dump Truck	1FDTF4GY6BEB20806	MG-4179F	16,000	48,713	\$42,753	Gas	11	12/22/2010
36	2011	Ford F550 Service Body Truck (Maintenance)	1FDUF5HY9BEA65499	MG-2959F	18,000	24,112	\$75,578	Gas	11	10/5/2010
HEAVY TRUCKS (>26,001 lbs GVWR)										
19	1997	Ford Louisville LT8501 Vactor Truck	1FDZV86E7VVA32683	71260-MG	58,000	34,242	\$183,665	Diesel	25	4/7/1997
49	2021	Western Star 4700SF Vactor Truck	5KKHADV4NPNF0166	MG-1470N	66,000		\$476,106	Diesel	1	12/21/2021
LICENSED OVER-THE-ROAD CONTRACTOR EQUIPMENT										
---	2000	John Deere Model 310SE Backhoe	T0310SE890959	87537-MG	17,800	2,239	\$70,959		22	
TRAILERS										
---	2001	Viking Dye Testing Trailer	1V91S1521Y1038034	97523-MG	7,500	---	\$9,100	Diesel	21	
---	2001	Forest River Enclosed TV Trailer	4X4TSE4131N020796	95986-MG	2,990	---	\$2,297	---	21	
---	2011	Viking Fender Model Tag Equipment Trailer	1V91S1622B1038758	MG-2241L	14,000	---	\$6,290	---	11	7/20/2011
OFF ROAD EQUIPMENT										
---	1993	John Deere Front Loader 624D	DW624ED535040	---	---	9,444	\$79,275	Diesel	29	
---	2012	John Deere Skid Steer Loader 426D	1T0326DJTCG2294727	---	---	1,099	\$37,726	Diesel	10	
---	2011	Kubota Compact Excavator	JKUK1213H01H72959	---	---	422	\$49,302	Diesel	11	7/11/2011
---	2012	John Deere Gator Utility Vehicle	1M0825GECEM096659	---	---	5,955	\$20,060	Gas	10	11/1/2014
---	2015	Godwin pump on trailer	156299418100000000	---	---	315	\$56,800	Diesel	7	2016
---	2018	Toyota Forklift Model 8FGU25	Serial 91098	---	9,060	12.8	\$31,137	Propane	4	

**BUTLER AREA SEWER AUTHORITY
LIST OF INSURED CONTRACTORS' EQUIPMENT (As of August 17, 2022)**

BASA NUMBER	MODEL YEAR OR YEAR PURCHASED	DESCRIPTION	EQUIPMENT IDENTIFICATION NUMBER (SERIAL NO.)	COST NEW (Dollars)
4	1992	John Deere Model 624D Front-Loader	DW624ED535040	\$79,275
7	1992	PowerBoss Model SW9XV Sweeper	7805065	\$27,892
9	2011	Kubota KX121R3TA Compact Excavator	JKUK 1213H01H72959	\$49,302
10	2012	John Deere Model 326D Skid Steer Loader	1T0326DJTCG229427	\$37,726
11	2014	John Deere Model XUV 825i Gator ATV	1M0825GECEM088659	\$25,114
12	2015	Godwin Dri-Prime NC150 6" Pump/Trailer	15629948-1	\$56,800
13	2018	Toyota Model 8FGU25 lift truck (fork lift)	Serial 91098	\$31,137
			TOTAL	\$307,246

Schedule 4.11(a)

Seller's Plans and Seller's Benefit Obligations

1. Long Term Disability SPD (Equitable)
2. Life/Accidental Death and Dismemberment SPD (Equitable)
3. 2022 Healthcare/Prescription Drug Benefit Grid (Highmark or UPMC, Municipal Benefit Services)
4. 2022 Dental Benefit Grid (United Concordia, Municipal Benefit Services)
5. 2022 Vision Benefit Grid (Vision Benefits of America, Municipal Benefit Services)
6. Section 125 Cafeteria Plan (Davevic Benefit Consultants):
 - a. Pre-Tax Healthcare Premium Deferrals
 - b. Employee Funded Pre-Tax Flexible Spending Accounts
 - c. Employee Funded Pre-Tax Dependent Care
 - d. Employee Funded Pre/Post Tax Aflac, as applicable
7. Retiree Healthcare Post-Employment Benefits (Mockenhaupt Benefits Group Actuarial Valuation)
8. Defined Contribution Pension Plans:
 - a. 401(a) Alerus Plan - Mandatory Employer (7.5%) & Employee (5.0%) Contributions
 - b. 457(b) Alerus – Voluntary Employee Only Contributions
 - c. 457(b) ICMA-RC – Voluntary Employee Only Contributions

Schedule 4.11(b)

Multiemployer Plans

None.

Schedule 4.11(c)

Terminated or Retired Employee Benefits

Below is a summary of the post-retirement benefits offered by Seller:

- Eligibility: If hired prior to August 1, 2010, Normal Retirement is age 65, but those participants who retire after December 31, 2000 are eligible for the post-employment benefits other than pensions (OPEB) after attaining age 62. If hired on or after August 1, 2010, no post-employment benefits are payable.
- Covered Persons: Employee, spouse and eligible dependents
- Benefits: For those eligible employees retiring between ages 62 and 64, the Authority pays up to 97% of the cost of the Authority's active employee group rate at the time of his or her retirement for medical and prescription drug coverage until Medicare eligibility (a period not to exceed 36 months from the retiree's date of retirement). No dental or vision benefits are provided. Upon Medicare eligibility at age 65, the retiree must convert to a Medicare Advantage Plan. The Authority pays the full cost of the designated retiree's Medicare Advantage premium, provided that Medicare eligibility is sustained.
 - For those employees retiring at age 65, the Authority pays the full cost of the designated retiree's Medicare Advantage premium, provided that Medicare eligibility is sustained.
 - For spouses and eligible dependent(s) who are under age 65, the Authority pays up to 97% of the cost of the Authority's active employee group rate at the time of his or her retirement for medical and prescription drug coverage for a maximum period of 36 months from the date of retirement or until the retiree reaches Medicare eligibility, whichever occurs first. If the retiree becomes Medicare eligible prior to the expiration of the maximum 36-month period, the Authority will pay the cost of the spouse's COBRA premium but only until the earlier of the expiration of the 36-month period or the spouse reaching Medicare eligibility.
 - Upon the spouse reaching Medicare eligibility (whether immediately if already at or past Medicare eligibility at the date of retirement, during the first 36 months following retirement, or after the 36 months of coverage if the Authority's plan lapses), the Authority will pay the full cost of the spouse's Medicare Advantage premium, provided that Medicare eligibility is sustained. All Authority-paid benefits to the spouse cease upon the death of the retiring employee. All Authority-paid benefits to dependents cease upon the earlier of the expiration of 36 months following the retiree's retirement date, the spouse's eligibility for Medicare or the retiree's death.
- Retiree Contributions: The Authority pays costs up to 97% of the the Authority's active employee group rate as of the date of retirement towards the retiree rate for a maximum period of 36 months as described above. The retiree must reimburse the Authority for the difference between the retiree and active plan premiums, if any, and any premium increases after retirement.
- Medical Plans Available:
 - Pre-age 65 coverage for eligible retirees: PPO \$500/\$1000 Deductible Plan, Drug Option 1 administered by Municipal Benefits Services.
 - Post-age 65 coverage: For participants retired before December 31, 2000 Highmark Plan N Medicare Supplement (medical) and Part D (prescription). For participants retired after December 31, 2000 Highmark Security Blue HMO-POS Deluxe Medicare Advantage Plan

Schedule 4.11(e)

Severance and Other Obligations

None.

Schedule 4.12(a)

Exceptions to Personnel Payments

None.

Schedule 4.13

Noncompliance with Environmental Requirements

Chapter 94 Corrective Action Plan dated March 11, 2019

Wet Violation: The Authority's sewage treatment plant failed the annual whole effluent toxicity (WET) test in the fourth quarter of 2018, and the second and fourth quarter of 2019.

Fecal Violations: The Authority filed Non-Compliance Reports with the Pennsylvania Department of Environmental Protection on the following dates:

- May 10, 2021
- June 11, 2021
- July 18, 2021
- August 31, 2021
- February 28, 2022

Ammonia Nitrogen: The Authority filed a Non-Compliance Report with the Pennsylvania Department of Environmental Protection on May 19, 2021

Asbestos: The Authority had a Limited Asbestos Inspection of the Wastewater Treatment Plant completed by The Kelvington Group, Inc. which did identify the presence of asbestos-containing material at or above regulated levels, as summarized in the Limited Asbestos Survey Report dated April 15, 2011. The recommendations of this report were followed. Most recently, the piping under the lab building that was previously abated recently experienced some flaking of the pipe coating. This area was repaired in June 2021. The tile in the lab building remains.

SSO's from 2017 to the present are listed below:

Date	Location	Location Description	Volume Discharged
5/7/2022	Metered Overflow 524 S Benbrook	Deshon Pump Station Equalization Tanks Wet Well	107608
4/25/2022	Road	Benbrook Pump Station Force Main	Unknown
3/18/2022	MH 8079	126 Greenhill Dr.	Unknown
2/25/2022	MH 1002	Whitestown Rd. & Hansen Ave.	Unknown
2/25/2022	MH 3659 Metered	Cupps Pump Station	Unknown
2/25/2022	Overflow Metered	Brewster Pump Station	34409
2/25/2022	Overflow Metered	Greenwood Pump Station	20807
2/18/2022	Overflow	Monroe Pump Station Equalization Tanks	1041000
2/17/2022	MH 3523	Rocklick Pump Station	821760
2/17/2022	MH 0165 Metered	Garden Grove Pump Station	46800
2/17/2022	Overflow	Fisher Heights Pump Station	46,678

	Metered			
2/17/2022	Overflow	Brewster Pump Station		51667
1/27/2022	MH 3659	Cupps Pump Station		39900
	Metered			
8/25/2021	Overflow	Greenwood Pump Station		6,870
	Metered			
8/25/2021	Overflow	Brewster Pump Station		9,740
8/25/2021	MH 1002	Whitestown Road & Hansen Ave.	Unknown	
8/25/2021	MH 0501	685 Glenwood Way	Unknown	
	389 Sawmill			
8/17/2021	Run Road	Rocklick Pump Station Force Main	Unknown	
8/17/2021	MH 3523	Rocklick Pump Station		2,733
	Metered			
7/17/2021	Overflow	Greenwood Pump Station		52,430
7/7/2021	MH P106	Greater Butler Mart	Unknown	
	210 South			
	Monroe			
6/17/2021	Street	Monroe Pump Station Force Main	Unknown	
	Metered			
6/9/2021	Overflow	Greenwood Pump Station		4,550
	Metered			
5/9/2021	Overflow	Greenwood Pump Station		22470
4/15/2021	MH 8061	Butler Memorial Park	Unknown	
	425 Sawmill			
3/26/2021	Road	Rocklick Pump Station Force Main	Unknown	
3/26/2021	MH 3523	Rocklick Pump Station	Unknown	
3/24/2021	MH 5971	Ritts Park	Unknown	
	Metered			
3/1/2021	Overflow	Greenwood Pump Station		24,320
	Metered			
1/1/2021	Overflow	Greenwood Pump Station		6,980
	Metered			
12/24/2020	Overflow	Brewster Pump Station		4,060
	Metered			
12/24/2020	Overflow	Greenwood Pump Station		7,200
	Metered			
9/7/2020	Overflow	Brewster Pump Station		14,430
	Metered			
6/27/2020	Overflow	Greenwood Pump Station		8,920
4/22/2020	AK Steel	Deshon Pump Station Force Main	Unknown	
3/28/2020	MH 0165	Garden Grove Pump Station	Unknown	
	Metered			
3/20/2020	Overflow	Greenwood Pump Station		97,388
	Metered			
3/20/2020	Overflow	Brewster Pump Station		261,469
3/20/2020	MH 3523	Rocklick Pump Station	Unknown	

	Metered			
1/25/2020	Overflow	Greenwood Pump Station		5,073
	Metered			
10/31/2019	Overflow	Brewster Pump Station		14,610
	Metered			
10/31/2019	Overflow	Greenwood Pump Station		210
	364 Old			
10/25/2019	Plank Road	Township Line Pump Station	Unknown	
	Metered			
7/6/2019	Overflow	Greenwood Pump Station		6916
	Metered			
6/18/2019	Overflow	Brewster Pump Station		2,567
	Metered			
6/18/2019	Overflow	Brewster Pump Station		19,813
6/18/2019	MH 7501	Brewster Pump Station	Unknown	
6/18/2019	MH 7501	Brewster Pump Station	Unknown	
	Metered			
6/18/2019	Overflow	Greenwood Pump Station		316
6/18/2019	MH 4659	Benbrook Pump Station	Unknown	
6/18/2019	MH 4360	Bryson Pump Station	Unknown	
	Metered			
6/18/2019	Overflow	Fisher Heights Pump Station		92,700
	Metered			
6/18/2019	Overflow	Monroe Pump Station Equalization Tanks		9,679
	Metered			
6/2/2019	Overflow	Brewster Pump Station		95,000
	Metered			
6/2/2019	Overflow	Fisher Heights Pump Station		4,220
5/30/2019	MH 7501	Brewster Pump Station	Unknown	
5/30/2019	MH 7709	Brewster Booster Pump Station	Unknown	
	Metered			
5/30/2019	Overflow	Fisher Heights Pump Station		23,000
	Metered			
5/28/2019	Overflow	Deshon Pump station		92,000
	Metered			
5/28/2019	Overflow	Greenwood Pump Station		54,940
5/28/2019	MH 7709	Brewster Pump Station	Unknown	
5/28/2019	MH 1198	Whitestown Road & Hansen Ave.	Unknown	
5/4/2019	MH 4659	Benbrook Pump Station		12,000
1/24/2019	MH 7526	Fisher Heights Pump Station	Unknown	
1/24/2019	MH 4360	Bryson Pump Station	Unknown	
1/24/2019	MH 4628	Bryson Pump Station	Unknown	
1/24/2019	MH 4627	Bryson Pump Station	Unknown	
1/24/2019	MH 4415	Bryson Pump Station	Unknown	
1/7/2019	MH 4823	800 McKinley Ave.	Unknown	
12/21/2018	MH 7709	Brewster Booster Pump Station	Unknown	

12/21/2018	MH 4360	Bryson Road Pump Station	Unknown	
11/17/2018	MH 3523	Rocklick Pump Station		15,500
11/17/2018	MH 3523	Rocklick Pump Station		112,000
11/16/2018	MH 7501	Brewster Pump Station	Unknown	
11/16/2018	MH 7709	Brewster Booster Pump Station	Unknown	
11/16/2018	MH 3523	Rocklick Pump Station		36,000
11/16/2018	MH 3523	Rocklick Pump Station		91,300
9/17/2018	MH 4360 Metered	Bryson Pump Station	Unknown	
9/11/2018	Overflow Metered	Monroe Pump Station Equalization Tank		3,945,000
9/10/2018	Overflow	Central Storage Tank Overflow		3,487,000
9/10/2018	MH 1198	Whitestown Rd. & Hansen Ave.	Unknown	
9/10/2018	MH 5654	Monroe St. & Cunningham St.	Unknown	
9/9/2018	MH 7501	Brewster Pump Station	Unknown	
9/9/2018	MH 7701	Brewster Pump Station	Unknown	
9/9/2018	MH 7709	Brewster Booster Pump Station	Unknown	
9/9/2018	MH 7526	Fisher Heights Pump Station	Unknown	
9/9/2018	MH 4775	Greenwood Pump Station	Unknown	
9/9/2018	MH 7701	Benbrook Pump Station	Unknown	
9/9/2018	MH 4360	Bryson Pump Station	Unknown	
9/9/2018	MH 3523	RockLick Pump Station	Unknown	
9/9/2018	Wet Well	Township Pump Station	Unknown	
9/9/2018	MH 5689	Pillow St. & Fifth St.	Unknown	
9/9/2018	MH 1198 Between MH 1034	Whitestown Rd. & Hansen Ave.	Unknown	
5/24/2018	and 1033	Fairground Hill Road	Unknown	
4/4/2018	MH 7709	Brewster Booster Pump Station	Unknown	
4/3/2018	MH 7709	Brewster Booster Pump Station	Unknown	
3/1/2018	MH 7709	Brewster Booster Pump Station	Unknown	
3/1/2018	MH 4360	Bryson Pump Station	Unknown	
2/26/2018	MH 7526	Fisher Heights Pump Station	Unknown	
2/25/2018	MH 7709	Brewster Pump Station	Unknown	
2/25/2018	MH 4360 Metered	Bryson Pump Station	Unknown	
2/22/2018	Overflow	Deshon Pump Station		8,366,400
2/20/2018	MH 4659 Metered	Benbrook Pump Station Central Storage Pump Station Equalization		6,000
2/19/2018	Overflow Metered	Tanks		1,394,900
2/19/2018	Overflow Metered	Deshon Pump Station Equalization Tank		623,800
2/19/2018	Overflow	Deshon Pump Station Equalization Tank		990,700

2/19/2018	MH 7709	Brewster Booster Pump Station	Unknown	
2/19/2018	MH 4360	Bryson Pump Station	Unknown	
	Metered	Central Storage Pump Station Equalization		
2/16/2018	Overflow	Tanks		1,390,000
	Metered			
2/16/2018	Overflow	Monroe Diversion Pump Station		3,642,900
2/16/2018	MH 7709	Brewster Booster Pump Station	Unknown	
2/15/2018	MH 7526	Fisher Heights Pump Station	Unknown	
2/15/2018	MH 4775	Greenwood Pump Station	Unknown	
2/15/2018	MH 4360	Bryson Pump Station	Unknown	
	Metered	Central Storage Pump Station Equalization		
1/12/2018	Overflow	Tanks		10,300,000
	Metered			
1/12/2018	Overflow	Monroe Pump Station Equalization Tanks		3,229,000
1/12/2018	MH 7709	Brewster Booster Pump Station	Unknown	
1/12/2018	MH 4360	Bryson Pump Station	Unknown	
1/12/2018	MH 7526	Fisher Heights Pump Station	Unknown	
1/12/2018	MH 3523	Rocklick Pump Station	Unknown	
	Metered			
1/10/2018	Overflow	Deshon Pump Station Equalization Tank		327,000
	331 Negley			
11/6/2017	Avenue	Connoquenessing Pump Station Force Main	Unknown	
11/6/2017	Wet Well	Township Line Pump Station	Unknown	
11/5/2017	MH 4775	Greenwood Pump Station	Unknown	
11/5/2017	MH 3523	Rocklick Pump Station	Unknown	
7/5/2017	MH 5689 +	Pillow St. & 5th St.	Unknown	
	Metered	Deshon Pump Station Equalization Tank Wet		
7/5/2017	Overflow	Well		24,100
3/8/2017	MH 7709	Brewster Pump Station	Unknown	
1/12/2017	MH 7526	Fisher Heights Pump Station	Unknown	
1/12/2017	MH 3523	Rocklick Pump Station	Unknown	

Schedule 4.14

Authorizations and Permits

1. NPDES Permit No. PA0026697 authorizing discharge from the Butler Area STP, located in Butler Township to Connoquenessing Creek (Outfall 001) and Butcher Run (Outfalls 005, 011-014 & 018)
2. WQM Permits¹:

Compiled on 08/31/2022

*This list most likely includes numbers for permits that have been cancelled or replaced.

| BASA WQM Permit numbers |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 175 | 4158 | 1070204 | 1089403 | 36354 | 56585 | WQG028325 |
| 547 | 4161 | 1071404 | 3000241 | 3645023 | 65275 | |
| 1112 | 4365 | 1072401 | 3000580 | 3645024 | 65605 | |
| 1173 | 4987 | 1072404 | 3001759 | 364523 | 84305 | |
| 1865 | 6297 | 1072410 | 3001765 | 364524 | 86405 | |
| 2354 | 6387 | 1072416 | 3001958 | 364535 | 86555 | |
| 2498 | 6475 | 1073411 | 3002020 | 364537 | 87085 | |
| 2654 | 7429 | 1074404 | 3002052 | 3655002 | 87565 | |
| 3165 | 9480 | 1075403 | 3002115 | 3655021 | 87865 | |
| 3366 | 108413 | 1075407 | 3002146 | 365521 | 91515 | |
| 3444 | 1001414 | 1078406 | 3002336 | 365539 | 9167-S | |
| 3569 | 1003417 | 1079406 | 3002543 | 3665021 | 9199-S | |
| 3593 | 1007401 | 1079415 | 3002840 | 36652 | 9418-S | |
| 3596 | 1009404 | 1080405 | 3002848 | 3675002 | 9450-S | |
| 3633 | 1011403 | 1080407 | 3002983 | 3675011 | 9565-S | |
| 3676 | 1013404 | 1080411 | 3003059 | 3675024 | 9671-S | |
| 3868 | 1068402 | 1080413 | 3003213 | 3685007 | 9814-S | |
| 3983 | 1069407 | 1086402 | 3007463 | 3685025 | 9817-S | |
| 4085 | 1069411 | 1088407 | 3635004 | 44015 | A-5635 | |

¹ Seller has requested a copy of all WQM permits from DEP. This list will be updated as such information is obtained.

Schedule 4.15

Contracts/Assigned Contracts

Parties	Date	Agreement	Scope
City of Butler Township of Butler Township of Center Township of Summit Borough of East Butler Deshon Area Sanitary Disposal and Sewer Authority East Butler Borough Sewer Authority Meridian Water and Sewer Authority Municipal Water and Sewer Authority of Center Township Butler Area Sewer Authority	February 20, 1974	Water Pollution Control Agreement for Central Butler County	Agreement by the Authority to maintain and operate a sewage collection and disposal system for all other parties to this Agreement.
Township of Connoquenessing Butler Area Sewer Authority	April 3, 1995	Connoquenessing Township Service Agreement	Construction of sewer lines in Connoquenessing Township along Cupps Road, which BASA agreed to accept flows from such area, and maintain and service such area
Township of Connoquenessing Butler Area Sewer Authority	December 14, 2005	Connoquenessing Township Service Agreement	Construction of sewer lines in Connoquenessing Township in the Winterwood Drive Service Area. BASA agreed to accept into its sewer system only domestic sanitary sewage flows from the pressure sewer system
Township of Oakland Butler Area Sewer Authority	March 7, 1994	Oakland Township Service Agreement	Construction of sewer lines in Oakland Township along Route 38, which BASA agreed to accept flows from such area, and maintain and service such area
Butler Township United States of America	February 3, 1958	Agreement	The government conveyed certain real property to the Township, including a sewage disposal plant located at the Veterans Administration Hospital Reservation, Butler, PA. So long as the VA Hospital original main campus is

			operated by the government, Butler, upon acquisition of title, will keep available and furnish to, the United States Veterans Administration, or its successor in function, without expense to the government, sewage disposal service
United States of America – VA Medical Center Butler Area Sewer Authority	March 2, 2004	Memorandum of Understanding	Confirming that service will be provided to the VA without expense to the hospital and facilities operated by the department. With respect to space leased or conveyed to entities not owned or operated by the United States Government, the Department has agreed that such space will be subject to payment of usage fees and surcharges to the Authority and will be subject to any and all applicable EPA, DEP and Authority rules and regulations related to sewage
Eric J. Nagy and Michele L. Nagy Butler Area Sewer Authority	April 8, 2022	License Agreement: 153 Autumn Drive, Butler Township	Permits property owners to construct lumber deck over a recorded sanitary sewer right-of-way
Michelle McGrath Allegent Community Federal Credit Union Butler Area Sewer Authority	September 8, 2015	License Agreement: 214 Willow Run Road, Center Township	Permits property owner to continue to locate a detached pole building over a recorded sanitary sewer right-of-way
Mark A. Keene and Kelly L. Keene GMAC Mortgage Corporation Butler Area Sewer Authority	April 13, 2000	License Agreement: 255 North Duffy Road, Butler Township	Permits property owner to continue to locate a detached pole building over a recorded sanitary sewer right-of-way
Joshua Paul Macko and Jodi Marie Macko ARMCO Credit Union Butler Area Sewer Authority	July 23, 2008	License Agreement: 316 Westbook Drive, Butler Township	Permits property owners to continue to locate deck over a recorded sanitary sewer right-of-way
Jason A. Zihmer and Rindi K. Zihmer Mortgage Electronic Registration System, as	April 26, 2018	License Agreement: Lot 107 in the Sugar creek Development Butler Township	Permits property owners to construct a concrete structure and an additional

nominee for Lender Paramount Equity Mortgage, LLC Butler Area Sewer Authority			structure over a recorded sanitary sewer right-of-way
Thomas A. Hall and Kristine D. Hall Butler Area Sewer Authority	March 8, 2021	License Agreement: Lot 108 in the Sugarcreek Development Butler Township	Permits property owners to construct a porch over a recorded sanitary sewer right-of-way
Thomas Construction, Inc. Butler Area Sewer Authority	September 14, 2021	Temporary License Agreement: Tax Parcel 563-6-240B- 0000	Permits temporary access, occupation and storage of equipment during the duration of the construction contract

Grinder Pump Maintenance Agreements

Below is a list of grinder pumps that the Authority owns and maintains. A quarterly assessment of \$49.00 is charged to customers on the sewer utility bill cards for maintenance of grinder pumps owned and maintained by the Authority.

While the Authority records all grinder pump agreements, the Authority has not taken maintenance responsibility for grinder pumps since September 2005 pursuant to Resolution 09-06-2005.

Number	Parties	Date	Address	Account Number	Pump
1	St. Fidelis Parish Butler Area Sewer Authority	November 13, 2001	125 Buttercup Road Butler Township	MA000142	Zoeller
2	Milroy and Marjorie L. Waggett Butler Area Sewer Authority	July 8, 1997	323 Pleasant View Avenue Butler City	BC004485	Myers
3	Grecco Gas and Welding Supplies, Inc. Butler Area Sewer Authority	April 10, 2021	201 Kittanning Street Butler City	BC006088	Zoeller
4	Brian K. Ellenberger, Raelene S. Ellenberger Butler Area Sewer Authority	February 13, 2001	556 S. Benbrook Road Butler/Summit	BS001241	Zoeller
5	Richard A. Ritenour, Robb E. Ritenour Butler Area Sewer Authority	July 14, 2004	100 Laurel Oak Lane Butler/Summit	BS001255	Zoeller
6	Joseph R. Stein, Lisa G. Stein Butler Area Sewer Authority	March 11, 2003	186 Saxonburg Road Butler/Summit	BS001267	Myers
7	Thomas L. Fisher, Karen D. Fisher Butler Area Sewer Authority	June 14, 2005	115 ½ Bradmoor Lane Butler Township	BS001297	Myers
8	Janice Phillips Larrick Butler Area Sewer Authority	February 1, 2005	331 Belmont Road Butler Township	BT007064	E-One
9	Robert Ballew Butler Area Sewer Authority	August 9, 2005	411 Penn Avenue Lyndora	BT007984	Zoeller
10	Integra Development Company, LLC Butler Area Sewer Authority	October 14, 1997	1124 N. Main Street Butler Township	BT017340	Myers
11	Jerome P. Oliver, Sr., June E. Oliver Butler Area Sewer Authority	September 9, 2003	1768 #2N Main Street Center Township	CT001225	Zoeller
12	No agreement – customer name: Regis G. Green		1723 N. Main Street Center Township	CT001705	Myers
13	Evelyn J. McIntosh Butler Area Sewer Authority	May 10, 2005	444 Holyoke Road Center Township	CT001976	Zoeller
14	L. Wolf Company, Inc. Butler Area Sewer Authority	March 12, 2002	458 Holyoke Road Center Township	CT001847	Zoeller
15	Bercury Homes, Ltd. Butler Area Sewer Authority	August 12, 2003	107 Elise Drive Center Township	CT001910	Myers
16	Matthew Stutz Butler Area Sewer Authority	August 6, 1998	218 Broadway Street East Butler	EB000484	Myers

17	Ronald S. Niggel, Joanne N. Niggel Butler Area Sewer Authority	November 11, 1997	422 Evans City Road Meridian	MA001322	Myers
18	Melvin S. Maxwell III, Barbara M. Maxwell Butler Area Sewer Authority	June 15, 1999	112 Arbutus Lane Meridian	MA001358	Zoeller
19	Nathaniel O. Rekich, Amanda L. Rekich Butler Area Sewer Authority	January 13, 2004	278 Saw Mill Run Road Meridian	MA001482	Myers
20	Douglas W. Harmon, Cynthia A. Harmon Butler Area Sewer Authority	April 13, 2004	4155 Miller Street Meridian	MA001500	E-One
21	Cindy and James Smith Butler Area Sewer Authority	February 7, 2022	105 Afton Drive Meridian	MA005378	New Construction
22	No agreement – customer name: Kenneth P. Defurio		110 Afton Drive Meridian	MA001544	Zoeller
23	White Thorn Development Company Butler Area Sewer Authority	March 15, 2004	108 Afton Drive Meridian	MA001505	Zoeller
24	White Thorn Development Company Butler Area Sewer Authority	March 15, 2004	111 Afton Drive Meridian	MA001502	Zoeller
25	No agreement – customer name: Richard Kennedy		168 Ambler Drive Meridian	MH000049	Myers
26	No agreement – customer name: Jennifer Cantella		170 Ambler Drive Meridian	MH000050	Myers
27	No agreement – customer name: Robert Cordray		172 Ambler Drive Meridian	MH000051	Myers
28	Alan and Katheryn L. Ruffel Butler Area Sewer Authority	October 14, 1997	210 Oliver Drive Oak Hills	OH012685	Myers
29	Southgate Ltd. Butler Area Sewer Authority	October 4, 1994	200 October Drive	OH012691	Myers
30			202 October Drive	OH012692	Zoeller
31			203 October Drive	OH012704	Myers
32			204 October Drive	OH012693	Myers
33			205 October Drive Oak Hills	OH012703	Myers
34	No agreement – customer name: Ron Rawlings		206 October Drive Oak Hills	OH012694	Myers
35	No agreement – customer name: Alfred A. Camus, III		207 October Drive Oak Hills	OH012702	Myers
36	No agreement – customer name: John M. Aubrey, Jr.		208 October Drive Oak Hills	OH012695	E-One
37	No agreement – customer name: Blair J. Laska		209 October Drive Oak Hills	OH012701	Myers
38	No agreement – customer name: Hershel R. Rice, III		210 October Drive Oak Hills	OH012696	Zoeller
39	No agreement – customer name: Edward Wise		211 October Drive Oak Hills	OH012700	Myers
40	No agreement – customer name: Alfons R. Semmler		212 October Drive Oak Hills	OH012697	E-One

41	No agreement – customer name: Robert H. Blotzer		213 October Drive Oak Hills	OH012699	Myers
42	No agreement – customer name: Agnieszka Krawczuk		215 October Drive Oak Hills	OH012698	Myers

Private Lateral Sewer Agreements

Number	Parties	Agreement	Date	Address
	Patricia A. Green, as Trustee (Owner) of the Patricia A. Green Revocable Trust Agreement dated November 11, 1997	Maintenance/Ownership Covenants Agreement	June 6, 2006	129 Mercer Street 131 Mercer Street 133 Mercer Street 135 Mercer Street
	George B. Hindman, R. Larry Hindman and Dennis R. Hindman Butler Area Sewer Authority	Agreement for Private Sewer Lines	June 15, 1990	647 Evans City Road
	George B. and Carol H. Hindman Butler Area Sewer Authority	Amended Agreement for Private Sewer Line	August 14, 2014	653 Evans City Road
	Edward H. Fincher, Patricia M. Fincher Butler Area Sewer Authority The Board of Supervisors of Connonquenessing Township	Agreement	December 1, 1983	Quite Brook Plan Recorded in Butler County Rack File 80, page 28
	Swamikkan A. Nallathambi and Helga H. Nallathambi Penn Township Sanitary Sewer System Authority Board of Supervisors of Penn Township Butler Area Sewer Authority Butler Township Area Water and Sewer Authority	Agreement	November 12, 1978	19.78 acres in Penn Township Instrument Number 19781219000020

Third Party Agreements

Parties	Date	Agreement	Scope
Cintas Corporation Butler Area Sewer Authority	Undated	Cintas Standard Rental Services Agreement – Uniforms	Uniform rental service agreement
Browning-Ferris Industries of Ohio, Inc. d/b/a Republic Services of Youngstown Butler Area Sewer Authority	July 14, 2020	Sewage Sludge Hauling and Landfill Disposal Services – Contract No. 2020-04	For sewage sludge hauling and landfill disposal services
DEP Technologies, Inc. Butler Area Sewer Authority	February 1, 2021	2021-2022 DEP Technologies IT Support Contract	Contract for IT support services based on number of service hours
Republic Services, Inc. Butler Area Sewer Authority	July 24, 2014	Republic Services – Special Waste Service Agreement	Transportation of wastewater treatment sludge
CWM Environmental, Inc. Butler Area Sewer Authority	February 14, 2022	CWM – DMR Agreement	Discharge monitoring report testing
CWM Environmental, Inc. Butler Area Sewer Authority	November 17, 2021	CWM – Regular NPDES Analytical Agreement	Annual NPDES monitoring
Graymont (PA) Inc. Butler Area Sewer Authority	July 13, 2021	Chemical Lime Contract	Furnishing bulk pebble/granular quicklime to the Butler Area Sewer Authority wastewater treatment plant.
Stanley Convergent Security Solutions, Inc. Butler Area Sewer Authority	March 23, 2018 August 1, 2019 September 29, 2019	Contracts with Stanley Security for Main Building, Sewer Crew, Main Office	Installation, maintenance, monitoring and repair of security systems.
AK Steel Butler Works Butler Area Sewer Authority	April 23, 2018	MOU Regarding Billing Terms and Certain Other Matters	Provides the basis of billing for the PAWC water meters located on AK Steel Butler Works premises located at the primary Butler Works facility and Plant 2 (PAWC Premises No. 9240145137 – Roll Grinding, 2 Bantam Avenue)
AK Steel Butler Works Butler Area Sewer Authority	November 30, 2020	Amendment to MOU Regarding Billing Terms and Certain Other Conditions	Amends the MOU to account for the sale of Plant 2 to a third party and update the BASA contract parties
Pennsylvania American Water Company	March 18, 2021	Recorded Shut-off Agreement with PAWC	Summarizes the duties, obligations and payment structure should BASA

Butler Area Sewer Authority			direct PAWC to shut-off the supply of water from its system to any premises in which the charges for sewer, sewage or sewage treatment service supplied by BASA are unpaid and the claim or lien for such service has been assigned to BASA.
City of Butler Butler County Community College Butler Area Sewer Authority	July 9, 2012	Agreement for Shared Use of Shooting Range	Agreement summarizes the terms and conditions under which the college can use land owned by BASA as a range for gun training. The land consists of 6.623 acres, defined in the indenture between the City and BASA made on December 20, 1988, found in volume 1440, pages 139-140 in the Butler County property deed records.
Pennsylvania Department of Human Services Butler Area Sewer Authority	2021	Low-Income Water Assistance Program (LIHWAP Vendor Agreement)	Establishes the terms and conditions under which assistance payments are made, on behalf eligible individuals to suppliers of wastewater
Armstrong Utilities, Inc. Butler Area Sewer Authority	March 1, 2022	Commercial Services Agreement – Zoom	Agreement to provide Zoom to all pump station locations.
Snyder Brothers Inc. Butler Area Sewer Authority	March 12, 2018	Purchase Order for Natural Gas	Purchase order for natural gas for the 151 S. Monroe Street, 100 Litman Rd Sewer Plant and 100 Litman Road Sewer Crew Garage locations
WGL Energy Services, Inc. Butler Area Sewer Authority	January 8, 2020	Purchase and Sale Base Agreement for Green-E Climate certified Carbon Offsets, Electric Power Supply Service and Green-E Energy Certified Renewable Energy Credits	Agreement to purchase natural gas, carbon offsets, electric power supply service and renewable energy credits
Penn Central Company Butler Area Sewer Authority	May 19, 1969	License to Individuals or Corporations for Electric Transmission Lines or Pipe Lines Across the Right-of-Way, Tracks and Property of the Railroad Company	Grants BASA the right to construct, maintain pipelines at the Railroad's Pittsburgh Division – Butler Branch, Mile Post 20.

Bessemer and Lake Erie Railroad Company Butler Area Sewer Authority	November 25, 2009	License for Underground Pipelines, Cables and Conduits	Grants BASA permission to construct and maintain an 18" sanitary force main in a 30" steel casing and a 24" gravity sanitary sewer in a 36" steel casing across, along and underneath property of the Railroad at Mile Post 33.3 in Butler, PA.
Bessemer and Lake Erie Railroad Company Butler Area Sewer Authority	November 25, 2009	License for Underground Pipelines, Cables and Conduits	Grants BASA permission to construct and maintain an 30" sanitary force main across, along and underneath property of the Railroad at Mile Post 32.8 in Butler, PA.
Bessemer and Lake Erie Railroad Company Butler Area Sewer Authority	June 9, 1969	Agreement	Grants BASA the right to construct and maintain a 24" sanitary sewer and 4 manholes in Butler City and Butler Township.
Bessemer and Lake Erie Railroad Company Butler Area Sewer Authority	June 14, 1963	Agreement	Grants BASA the right to alter and extend its sewers across the tracks of the Railroad and tracks of Pullman-Standard in Butler Township
Bessemer and Lake Erie Railroad Company Butler Area Sewer Authority	May 12, 1967	Agreement	Grants BASA the right to construct and maintain a 24" sanitary sewer and 4 manholes in Butler Township.
Bessemer and Lake Erie Railroad Company Butler Area Sewer Authority	August 1, 1963	Agreement	Grants BASA the right to construct and maintain a 12" force main sanitary sewer in Butler City
Bessemer and Lake Erie Railroad Company Butler Area Sewer Authority	April 1, 1963	Agreement	Grants BASA the right to construct and maintain a 36" sanitary sewer pipe in Butler City

Development Agreements

The Seller currently has three (3) active developments: Autumn Woods Phase I, Highfield Trails, and Forest Oaks. The Seller also has the following performance bonds:

1. Bronder Technical Services – Sludge Thickener Project - \$43,920.00. (Almost complete and transitioning to Maintenance bond – 2-year warranty)
2. Ray Showman Jr. Excavating – Sludge Thickener Project - \$364,713.07 (Almost complete and transitioning to Maintenance bond – 2 years warranty)
3. Utility Contacting Inc. - Rock Lick Pump Station Improvements Contract 2021-03 - \$252,800.00 (Just starting this project)
4. Republic Services of Youngstown – Sewage Sludge Hauling and Landfill Services - \$300,000.00

Parties	Date	Agreement	Scope
AFE & Allman Land Development Group, LLC Butler Area Sewer Authority	April 28, 2022	Agreement	Development agreement for Phase I – Highfield Trails 100 Residential Development
Villas at Forest Oaks LP Butler Area Sewer Authority	June 22, 2021	Agreement	Development agreement for The Villas at Forest Oaks
Bronder Technical Services, Inc. Butler Area Sewer Authority	April 13, 2021	Contract No. 2020-06 Sludge Thickener Upgrade Electrical Construction	For the Sludge Thickener Upgrade Project – Electrical Construction in Butler Township
Duffy Highlands, LP Butler Area Sewer Authority Dollar Bank, Federal Savings Bank	June 13, 2018	Set-Aside Agreement	Development of the Duffy Highlands, Phase I project
Winner Properties LP Butler Area Sewer Authority Dollar Bank, Federal Savings Bank	August 17, 2021	Set-Aside Agreement	Development of the Autumn Woods Residential Development
Ray Showman Jr. Excavating, Inc. Butler Area Sewer Authority	April 13, 2021	Sludge Thickener Upgrade Project Contract No. 2020-02 – General Construction	For the Sludge Thickener Upgrade Project – General Construction in Butler Township
Browning-Ferris Industries of Ohio, Inc. d/b/a Republic Services of Youngstown Butler Area Sewer Authority	July 14, 2020	Sewage Sludge Hauling and Landfill Disposal Services – Contract No. 2020-04	For sewage sludge hauling and landfill disposal services

Schedule 4.16(c)

Litigation Involving Seller

1. **Barbara Ferrer, Administratrix of the estate of Edgar Ferrer, deceased, and Barbara Ferrer, in her own right v. A.O. Smith Corporation, et al., filed in the Court of Common Pleas of Allegheny County, Pennsylvania, Civil Division – Asbestos (G.D. 22-003808):** The complaint was filed April 7, 2022 naming the Authority and 230 other parties as defendants. The deceased was diagnosed with lung cancer in July 2021 and died January 2022. Throughout his lifetime he worked as a welder and millwright at various places, including the Butler Sewage Plant, and during his time as a welder and millwright he was allegedly exposed to asbestos. The case is in discovery, with interrogatories being served on the Authority June 6, 2022.

Schedule 4.17(a)

Title to Acquired Assets

The Seller notes the following exceptions to title: (i) missing easements; and (ii) exceptions identified on any title commitment obtained by the Buyer.

Schedule 4.17(b)

Sufficiency

The Seller does not represent or warrant sufficiency with respect to: (i) missing easements; and (ii) exceptions identified on any title commitment obtained by the Buyer.

Schedule 4.21

Free Service; Prepayments

Prepayments:

- Required escrows for the Seller's Realty Transfer I&I Inspection Program. These escrows are managed by a holding company, and released to the customer after the work is inspected and approved by the Seller. A list of escrows as of September 1, 2022 is below:

ACCOUNT NUMBER	PARCEL	PROPERTY ADDRESS	ESCROW HOLDER	AMOUNT	LAST STATUS CHANGE	PROPERTY OWNER	MAILING ADDRESS
BT007106	052-37-A454 11/33	202 BESSEMER AVE	BASA	\$950	3/23/2006	FREY, CHERYL K	116 BESSEMER AVE
BC002627	561-3-20 5/3	100 -104 MACKEY AVE	DMKCG	\$2,000	6/11/2007	COGLEY, JAMES A	P O BOX 694
OH012720	051-62-5A105 10/45	110 SUGAR CREEK DR	FEDERATED MORTGAGE	\$500	8/21/2009	SHENEPIEL, STEPHEN D	110 SUGAR CREEK DR
BC000074	565-10-125 5/10	228 AMY AVE	DMKCG	\$500	7/3/2013	PRIME PROPERTIES USA LLC	PO BOX 19292
BC003003	565-20-12 5/20	428 MERCER ST	RISHOR-SIMONE	\$500	9/26/2013	GOULD, DAVID B	267 NEW CASTLE RD
BC004413	563-26-11 5/26	330 PILLOW ST	RISHOR-SIMONE	\$85	10/17/2016	GEYER, CHARLES	107 HALLAND TERRACE
BC006117	562-7-20 5/7	125 S MAIN ST	BARRISTERS	\$5,000	11/5/2016	BLC REALTY GROUP	200 S MAIN ST
BC002664	562-7-20 5/7	123 S MAIN ST	BARRISTERS		11/5/2016	BLC RLTY ENTERPRISES LLC	200 S MAIN ST
BC000651	562-43-145 5/43	535 -537 CARBON ST	BASA	\$2,500	2/10/2021	ISB ENTER LLC	154 KITTANNING ST
BC000586	561-31-68 5/31	425 BROWN AVE	HERITAGE SECURITY	\$5,000	9/25/2020	NOMADIC FLIPS LLC	1025 E 690 S
BC003269	561-3-69/1 5/3	109 MORTON AVE	KEYMAX	\$5,000	3/24/2020	MS ASSET RECOVERY LLC	2425 RIVER RD, STE 300
BC002581	562-23-184 5/23	411 E LOCUST ST	DMKCG	\$5,000	3/5/2021	PRENGAMAN, ANDREW L	1528 PERRY HWY
BC000506	565-10-61 5/10	305 BROAD ST	ATTORNEY MENCHYK	\$5,000	6/14/2021	REDEVELOPMENT AUTHORITY	114 WOODY DR
BT007125	052-37-A371B 11/33	301 BESSEMER AVE	DMKCG	\$5,000	12/11/2020	ALLMAN, STEPHEN, ET AL	122 SHANOR HTS
BC006130	561-5-141D	122 ETNA ST	ENTERPRISE BANK	\$5,000	4/22/2022	BAKER, STEVEN	186 BRICKYARD RD
BC001971	561-3-87 5/3	207 FREEMONT AVE	NATIONSTAR MTG	\$5,000	5/31/2022	7049 JEFI LLC	1582 ELM GROVE RD
SB008511	051-39-F1 12/16	114 ASPEN RD	DMKCG	\$5,000	7/5/2022	CHIAPPINI, STELLA	114 ASPEN RD
CT001030	060-2F104-25A2 15/91	494 SUNSET DR	DMKCG	\$5,100	5/27/2022	WOLF, MATTHEW D	233 SMITH RD
BC003987	561-1-105 5/1	217 E PATTERSON AVE	DMKCG	\$5,000	6/23/2022	CONRAD RENTALS LLC	PO BOX 672
BC003988	561-1-105 5/1	217 -R E PATTERSON AVE	DMKCG		6/23/2022	CONRAD RENTALS LLC	PO BOX 672
BC002153	561-37-151 5/37	105 HEIM AVE	MONTGOMERY CRISSMAN	\$5,200	7/25/2022	EQUITY TRUST CO	1337 KITTANNING PIKE
NW008917	056-20-E59 6/23	245 ACRE AVE	AVENUE TO CLOSE	\$5,000	8/24/2022	PHILLIPS, MRS HELEN B	245 ACRE AVE
NW009285	056-3-A11	100 WESTWOOD MANOR	CFS SETTLEMENT	\$5,000	5/13/2022	EAGAL, LLOYD S	232 S EBERHART RD

Free Service Arrangements:

Parties	Date	Agreement	Scope
Butler Township United States of America	February 3, 1958	Agreement	The government conveyed certain real property to the Township, including a sewage disposal plant located at the Veterans Administration Hospital Reservation, Butler, PA. So long as the VA Hospital original main campus is operated by the government, Butler, upon acquisition of title, will keep available and furnish to, the United States Veterans Administration, or its successor in function, without expense to the government, sewage disposal service
United States of America – VA Medical Center Butler Area Sewer Authority	March 2, 2004	Memorandum of Understanding	Confirming that service will be provided to the VA without expense to the hospital and facilities operated by the department. With respect to space leased

			or conveyed to entities not owned or operated by the United States Government, the Department has agreed that such space will be subject to payment of usage fees and surcharges to the Authority and will be subject to any and all applicable EPA, DEP and Authority rules and regulations related to sewage
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Schedule 5.04

Consents and Approvals

1. Pennsylvania Public Utility Commission (“PaPUC”) Approval of Transaction
2. DEP Approval of Permit Transfers
3. DEP Act 537 Plan Special Study Approval

Schedule 5.10

Litigation involving Buyer

None.

Schedule 6.05(d)

Missing Easements

To be completed by Buyer as set forth in Section 6.05(d).

Schedule 7.03(a)

Personnel Matters

Last Name	First Name	Middle Name	Job Class Code Desc	Location Code Desc
ARNOLD	CHRISTOPHER	D	OPERATOR II	PLANT
BRESNAHAN	MARILYN	M	CLERK II	OFFICE
BROWN	TRAVIS	T	OPERATOR III	SEWER MTNCE
CAMPBELL	SETH	M	SUPERINTENDENT	MANAGEMENT
COX	DALTON	J	OPERATOR II	PLANT
CROWE	TIMOTHY	T	OPERATOR III	REALTY
DEAL	DANIEL	P	OPERATOR II	REALTY
DIBIASE	RICHARD	A	SUPERINTENDENT	MANAGEMENT
DICKEY	BRIAN	S	OPERATOR III	SEWER MTNCE
DUNCAN	DAVID	A	OPERATOR II	SEWER MTNCE
FERDERBER	VIRGINIA	L	OFFICE SUPERVISOR	MANAGEMENT
FINK	ROBERT	V	INFORMATION TECHNOLOGY	MANAGEMENT
FRITZ	DEWAYNE	E	OPERATOR II	PLANT
GEIBEL	ADAM	C	PROJECT COORDINATOR	MANAGEMENT
KENYON	DENNIS	R	OPERATOR IV	PUMP STATIONS
KUDELKA	ROBERT	C	OPERATOR III	PLANT
LADERER	STEVEN	B	OPERATOR III	PLANT
LAVORINI	RONATA	L	FINANCE DIRECTOR	MANAGEMENT
MAGILL	PETER	I	OPERATOR III	REALTY
MCCALL	FRANK	J	OPERATOR II	PLANT
MCKEE	DUANE	E	EXECUTIVE DIRECTOR	MANAGEMENT
MCKINNEY	BEVERLY	J	CLERK II	OFFICE
MILLER	MASON	C	PRETREATMENT COORDINATOR	MANAGEMENT
OSWALD	EVAN	A	ENGINEERING ASSISTANT	MANAGEMENT
PITZER	SCOTT	R	OPERATOR II	SEWER MTNCE
RICE	RICKY	A	OPERATOR IV	PLANT
RODGERS	WILLIAM	P	OPERATOR IV	PLANT
RYAN	ERIC	J	OPERATOR III	PLANT
SLAGLE	WILLIAM	K	INSPECTION PROG SUPERVISOR	MANAGEMENT
SNYDER	DAVID	E	OPERATOR III	REALTY
SPOHN	MELINDA	A	ACCOUNTING CLERK	OFFICE
STEERE	DANIEL		OPERATOR IV	PUMP STATIONS
STITELER	MARK	A	OPERATOR III	SEWER MTNCE
VORMACK	ROBERT	J	OPERATOR II	PLANT
WILSON	JEFFREY	D	OPERATOR II	PLANT

Schedule 7.04(a)-1

Seller Effective Date Rates

BUTLER AREA SEWER AUTHORITY NOTICE OF CHANGE IN RATES EFFECTIVE JULY 1, 2022						
BILLING DISTRICT		ANNUAL BASE SEWER SERVICE RATE # (\$/EDU)	ANNUAL AREA SEWER DEBT SURCHARGE RATE (\$/EDU)	TOTAL PER YEAR (\$/EDU)	TOTAL PER QUARTER (\$/EDU)	TOTAL PER MONTH (\$/EDU)
BUTLER CITY	BC	516.00		516.00	129.00	43.00
BUTLER/SUMMIT	BS	516.00		516.00	129.00	43.00
BUTLER TOWNSHIP	BT	516.00		516.00	129.00	43.00
CENTER/LAGOON	CL	516.00		516.00	129.00	43.00
CENTER TOWNSHIP	CT	516.00		516.00	129.00	43.00
DESHON AREA	DA	516.00		516.00	129.00	43.00
EAST BUTLER	EB	516.00		516.00	129.00	43.00
HULL PLAN	HP	516.00		516.00	129.00	43.00
MERIDIAN AREA	MA	516.00		516.00	129.00	43.00
MERIDIAN/HEATHER	MH	516.00		516.00	129.00	43.00
NORTHWEST AREA	NW	516.00		516.00	129.00	43.00
OAK HILLS AREA	OH	516.00		516.00	129.00	43.00
Dutchtown Opt 1		516.00		516.00	129.00	43.00
Dutchtown Opt 2		516.00	432.00 *	948.00	237.00	79.00
Dutchtown Opt 3		516.00	576.00 **	1,092.00	273.00	91.00
SOUTH BUTLER	SB	516.00		516.00	129.00	43.00

Base rate increased by \$5.00 per month per EDU effective July 1, 2022 (last increase 1/1/2020).

* Surcharge effective January 1, 2011 (surcharge anticipated to be applied until December 31, 2035).

** Surcharge effective January 1, 2011 (surcharge anticipated to be applied until December 31, 2035).

For sewer services effective July 1, 2011, interest will be applied at 10% APR (5% APR on liens).

EDU = Equivalent Dwelling Unit (or Unit) average water usage of 4,000 gallons per month.

BASE SEWER SERVICE RATE FOR MULTI-FAMILY RESIDENTIAL UNITS:	TOTAL PER YEAR # (\$/EDU)	TOTAL PER QUARTER # (\$/EDU)	TOTAL PER MONTH # (\$/EDU)
For the first 25 Units or any part thereof	516.00	129.00	43.00
For the next 25 Units or any part thereof	505.60	126.40	42.13
For the next 25 Units or any part thereof	495.20	123.80	41.27
For the next 25 Units or any part thereof	484.80	121.20	40.40
For the next 25 Units or any part thereof	474.40	118.60	39.53
For the next 25 Units or any part thereof	464.00	116.00	38.67
For all Units over 150 or any part thereof	453.60	113.40	37.80

Schedule 7.04(a)-2

Seller Closing Rates

**BUTLER AREA SEWER AUTHORITY
NOTICE OF CHANGE OF RATES EFFECTIVE [CLOSING DATE]**

BILLING DISTRICT		ANNUAL BASE SEWER SERVICE RATE # (\$/EDU)	ANNUAL AREA SEWER DEBT SURCHARGE RATE (\$/EDU)	TOTAL PER YEAR (\$/EDU)	TOTAL PER QUARTER (\$/EDU)	TOTAL PER MONTH (\$/EDU)
BUTLER CITY	BC	546.00		546.00	136.50	45.50
BUTLER/SUMMIT	BS	546.00		546.00	136.50	45.50
BUTLER TOWNSHIP	BT	546.00		546.00	136.50	45.50
CENTER/LAGOON	CL	546.00		546.00	136.50	45.50
CENTER TOWNSHIP	CT	546.00		546.00	136.50	45.50
DESHON AREA	DA	546.00		546.00	136.50	45.50
EAST BUTLER	EB	546.00		546.00	136.50	45.50
HULL PLAN	HP	546.00		546.00	136.50	45.50
MERIDIAN AREA	MA	546.00		546.00	136.50	45.50
MERIDIAN/HEATHER	MH	546.00		546.00	136.50	45.50
NORTHWEST AREA	NW	546.00		546.00	136.50	45.50
OAK HILLS AREA	OH	546.00		546.00	136.50	45.50
Dutchtown Opt 1		546.00		546.00	136.50	45.50
Dutchtown Opt 2		546.00	432.00 *	978.00	244.50	81.50
Dutchtown Opt 3		546.00	576.00 **	1,122.00	280.50	93.50
SOUTH BUTLER	SB	546.00		546.00	136.50	45.50

Base rate increased by \$2.50 per month per EDU effective on [the Closing Date] (last increase July 1, 2022)

* Surcharge effective January 1, 2011 (surcharged anticipated to be applied until December 31, 2035)

** Surcharge effective January 1, 2011 (surcharged anticipated to be applied until December 31, 2035)

For sewer services effective July 1, 2011, interest will be applied at 10% APR (5% APR on liens)

EDU = Equivalent Dwelling Unit (or Unit) average water usage of 4,000 gallons per month

BASE SEWER SERVICE RATE FOR MULTI-FAMILY RESIDENTIAL UNITS:	TOTAL PER YEAR (\$/EDU)	TOTAL PER QUARTER (\$/EDU)	TOTAL PER MONTH (\$/EDU)
For the first 25 Units or any part thereof	546.00	136.50	45.50
For the next 25 Units or any part thereof	535.20	133.80	44.60
For the next 25 Units or any part thereof	524.40	131.10	43.70
For the next 25 Units or any part thereof	513.60	128.40	42.80
For the next 25 Units or any part thereof	502.80	125.70	41.90
For the next 25 Units or any part thereof	492.00	123.00	41.00
For all Units over 150 or any part thereof	481.20	120.30	40.10

Schedule 7.11

Capital Projects

Investment Project (IP) Budget Estimate

Project Name	2024	2025	2026	2027	2028
Collection System					
Arc Flash at Pumping Stations	\$300,000	\$0	\$0	\$0	\$0
Safety Improvements at Pumping Stations	\$250,000	\$500,000	\$0	\$0	\$0
Electrical, SCADA & Emergency Generator Improvements	\$0	\$0	\$1,500,000	\$1,500,000	\$1,500,000
NASSCO CCTV Entire System	\$0	\$0	\$1,500,000	\$1,500,000	\$0
NASSCO Manhole Inspection Entire System	\$0	\$0	\$300,000	\$250,000	\$0
Systemwide I/I Study	\$0	\$0	\$100,000	\$250,000	\$0
Rock Lick Pump Station Replacement	\$0	\$0	\$150,000	\$2,500,000	\$1,000,000
FBB System Improvements	\$4,500,000	\$2,500,000	\$0	\$0	\$0
GBB System Improvements	\$2,000,000	\$2,500,000	\$2,500,000	\$0	\$0
September Dr. Pumping Station Improvements	\$0	\$0	\$100,000	\$750,000	\$250,000
Major Pumping Station Improvements	\$0	\$0	\$1,000,000	\$2,000,000	\$2,000,000
Treatment Plant					
Flood Study & Flood Hazard Reinforcement	\$0	\$0	\$300,000	\$1,500,000	\$1,500,000
Arc Flash at Plant Facility	\$50,000	\$0	\$0	\$0	\$0
Pipe Tunnel Improvements	\$0	\$0	\$100,000	\$250,000	\$250,000
Primary tanks 3-4-5 Improvements	\$100,000	\$100,000	\$100,000	\$0	\$0
Safety Improvements	\$250,000	\$400,000	\$0	\$0	\$0
Electrical Improvements	\$0	\$0	\$1,000,000	\$1,000,000	\$0
Effluent Flow Metering	\$0	\$0	\$0	\$0	\$750,000
UV Disinfection	\$0	\$0	\$250,000	\$2,000,000	\$5,000,000
Secondary Clarifier Improvements	\$0	\$0	\$200,000	\$1,000,000	\$2,500,000
Trickling Filter Media Replacement	\$0	\$0	\$100,000	\$1,500,000	\$500,000
Compressed Air System Replacement	\$0	\$0	\$0	\$0	\$400,000
Site Security Improvement	\$0	\$50,000	\$700,000	\$0	\$0
IP Total	\$7,450,000	\$6,050,000	\$9,900,000	\$16,000,000	\$15,650,000
IP Grand Total					\$55,050,000

Recurring Project (RP) Budget Estimate

Capital Improvement	DSIC	2024	2025	2026	2027	2028
Mains - New		\$50,000	\$100,000	\$100,000	\$100,000	\$100,000
Mains - Replaced / Restored	YES	\$350,000	\$1,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Mains - Unscheduled	YES	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000
Mains - Relocated	YES	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Hydrants, Valves, and Manholes - New		\$10,000	\$100,000	\$100,000	\$100,000	\$100,000
Hydrants, Valves, and Manholes - Replaced	YES	\$20,000	\$500,000	\$500,000	\$500,000	\$500,000
Services and Laterals - New		\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Services and Laterals - Replaced	YES	\$50,000	\$200,000	\$200,000	\$200,000	\$200,000
ITS Equipment and Systems		\$10,000	\$50,000	\$50,000	\$50,000	\$50,000
SCADA Equipment and Systems		\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Security Equipment and Systems		\$25,000	\$100,000	\$100,000	\$100,000	\$25,000
Offices and Operations Centers		\$50,000	\$150,000	\$150,000	\$200,000	\$200,000
Vehicles		\$50,000	\$50,000	\$150,000	\$150,000	\$150,000
Tools, Equipment, and Safety		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Process Plant Facilities and Equipment		\$250,000	\$750,000	\$750,000	\$750,000	\$750,000
RP Total		\$1,140,000	\$3,325,000	\$5,425,000	\$5,475,000	\$5,400,000
RP Grand Total						\$ 20,765,000

Schedule 10.03

Cooperation

1. Photocopier
2. Server with all stored data
3. Accounts receivable records, including original lien documents
4. Vendor files & invoices for final audit
5. Any and all information required by DEP or to finalize and dissolve the Seller