

This Instrument Prepared By:  
**TITLE ESCROW OF ROBERTSON COUNTY, INC.**  
2784-A Highway 31W  
White House, TN 37188  
(615) 672-7925

05-00293

ADDRESS NEW OWNER:  
Tennessee Waste Water Systems, Inc.  
951 AVIATION PARKWAY  
SMYRNA, TN 37167

SEND TAX BILL:  
To Owner

OWNER:  
Same

MAP AND PARCEL:  
MAP 74  
Part of Parcels 68.00 & 88.00

## QUITCLAIM DEED

THIS INSTRUMENT PREPARED FROM INFORMATION PROVIDED BY PARTIES.

FOR AND IN CONSIDERATION of the sum of Ten (\$10.00), cash in hand paid by the hereinafter named Grantee, and other valuable considerations, the receipt of which is hereby acknowledged, We, Mar-Car Developers, LLC hereby Quitclaim all our interest to Tennessee Waste Water Systems, Inc., their heirs and assigns, a certain tract or parcel of land in Robertson County, State of Tennessee, described as follows, to wit:

The following paragraph describes a tract of land in the 15<sup>th</sup> Civil District of Robertson County, Tennessee, said tract being a portion of that property which was conveyed to William J. Bradley, et al, by Ruth P. Irwin, in a deed of record which is recorded in Record Book 744, Page 847, Register's Office for Robertson County, Tennessee, (RORCT), with further reference being made in Record Book 987, Page 627, RORCT, described as follows:

Beginning at a point in the intersection of Honey Run Creek, and a drain, a common corner of a tract of land which belongs to Betty C. Moore, having a deed reference in Deed Book 309, Page 584, RORCT, and a tract of land which belongs to Henry T. Parks, having a deed reference in Record Book 1048, Page 99, RORCT, said point being located from a point at the intersection of Calista Road and Honey Run Creek, N 26 deg. 21' 49" E, 242.68 feet, to the point of beginning, the most westerly corner of this tract, and continuing generally with the center of said drain, and the boundary of said tract of land which belongs to Betty C. Moore, as follows: N 43 deg. 02' 28" E, 41.88 feet; thence, N 32 deg. 08' 39" E, 60.13 feet; thence, N 62 deg. 54' 54" E, 118.97 feet; thence, N 67 deg. 42' 03" E, 85.32 feet; thence, S 76 deg. 24' 12" E, 38.80 feet to a point in the center of said drain, a corner of said tract of land which belongs to Betty C. Moore; thence continuing with the boundary of said tract of land which belongs to Betty C. Moore, as follows: N 44 deg. 33' 30" E, 84.24 feet to an iron pin (new); thence, N 07 deg. 40' 27" E, 701.19 feet to an iron pin (new); thence, S 86 deg. 02' 05" E, 368.11 feet to a pipe (old); thence, N 76 deg. 58' 20" E, 188.53 feet to an iron pin (new); thence, S 10 deg. 06 min. 42" W, 581.45 feet to an iron pin (new); thence, S 79 deg. 35' 47" E, 987.04 feet to an 18 - inch tree; thence, N 06 deg. 58' 15" E, 985.12 feet to a fence post (old), in the easterly boundary of said tract of land which belongs to Betty C. Moore, the southwest corner of a second tract of land which belongs to Betty C. Moore, having a deed reference in Record Book 939, Page 26, RORCT; thence, S 81 deg. 34' 44" E, passing a common corner of said second mentioned tract of land which belongs to Betty C. Moore, and a tract of land which belongs to Billy G. Ray, having a deed reference in Deed Book 226, Page 143, RORCT, and continuing in all 445.11 feet to a pipe (old), a corner of said tract of land which belongs to Billy G. Ray; thence, S 81 deg. 35' 16" E, passing a common corner of said tract of land which belongs to Billy G. Ray, and a tract of land which belongs to Margaret J. Bryant, having a deed reference in Deed Book 143, Page 483, RORCT, and continuing in all 370.07 feet to a pipe (old), a common corner of said tract which belongs to Margaret J. Bryant, and a tract of land which belongs to Gospel Temple Christian Church, having a deed reference in Record Book 1058, Page 287, RORCT; thence, S 81 deg. 37' 27" E, 94.16 feet to an iron pin (old), in the southerly boundary of said tract of land which belongs to Gospel Temple Christian Church, the northwest corner of a tract of land which belongs to Ronald D. Jackson, having a deed reference in Deed Book 354, Page 557, RORCT; thence, S 08 deg. 22' 27" W, passing a common corner of said tract of land which belongs to Ronald D. Jackson, and a tract of land which belongs to Thomas J. Bush, having a deed reference in Deed Book 343, Page 405, RORCT, and continuing in all 1336.71 feet to an iron pin (old), the southwest corner of said tract of land which belongs to Thomas J. Bush; thence with a new line, S 88 deg. 03' 09" W, 2410.06 feet to a point in the center of Honey Run Creek, marked by a witness pin (new), on the easterly bank of said creek; thence generally with the center of Honey Run Creek, as follows: N 03 deg. 50' 39" W, 54.19 feet; thence, N 13 deg. 27' 18" W, 209.24 feet; thence, N 26 deg. 52' 13" W, 83.75 feet; thence, N 65 deg. 50' 21" W, 126.18 feet; thence, S 85 deg. 59' 34" W, 66.15 feet, to the point of beginning, containing 60.00 acres, as surveyed by Steven E. Artz, Tennessee License No. 1708, d/b/a Steven E. Artz & Associates, Inc., 514 South Brown Street, Suite 600, Springfield, Tennessee 37172, dated April 19, 2007.

Frankie Fletcher, Register  
Robertson County Tennessee  
Rec #: 179648 Instrument #: 206375  
Rec'd: 10.00 Recorded  
State: 0.00 1/20/2009 at 12:20 PM  
Clerk: 0.00 in Record Book  
EDP: 2.00 1299  
Total: 12.00 Pgs 605-606

The above described tract of land may be found on Tax Map 74, part of Parcel's 68 & 88, in the Tax Assessor's Office for Robertson County, Tennessee.

Being part of the same property conveyed to Mar-Car Developers, LLC, of record in Record Book 1221, Page 833, Register's Office, Robertson County, Tennessee.

This conveyance is subject to easement to Tennessee Gas Transmission Company of record in Book 114, Page 476 and in Book 120, Page 203 and in Book 136, Page 88, except as modified by Partial Release of Easement of record in Book 167, Page 275, Register's Office, Robertson County, Tennessee.

This conveyance is subject to Right-of-Way of record in Book 168, Page 294 and in Book 168, Page 298, said Register's Office.

This is unimproved property in Robertson County, Tennessee.

This is part of the same description as in previous deed of record.

And now we, for the express purpose of carrying out the intent of this conveyance, as above set out, do hereby Quitclaim and convey all our interest unto the said Tennessee Waste Water Systems, Inc., their heirs and assigns, forever; and we, Mar-Car Developers, LLC covenant with the said Grantees that the same is conveyed subject to the limitations and restrictions as may effect the premises. Wherever used, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Witness our hands this the 15th day of January, 2009.

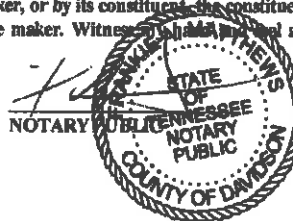
Mar-Car Developers, LLC

By: William J Bradley  
William J Bradley, Member

By: Carl C. Pritchard III  
Carl C. Pritchard, III, Member

STATE OF TENNESSEE  
COUNTY OF SUMNER

Personally appeared before me, the undersigned Notary Public in and for said County and State, the within named William J Bradley and Carl C. Pritchard, III as Members of Mar-Car Developers, LLC, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence and who acknowledged that they executed the within instrument for the purpose contained therein and who further acknowledged that they are the Members of the maker, or a constituent of the maker, and in authorized by the maker, or by its constituent, the constituent being authorized by the maker, to execute this instrument on behalf of the maker. Witness my hand and seal at White House, Tennessee this the 15th day of January, 2009.



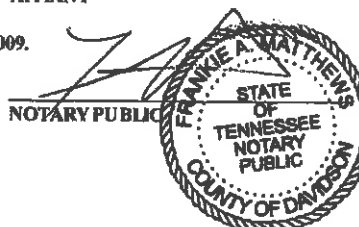
My Commission Expires: 5-8-12

STATE OF TENNESSEE  
COUNTY OF SUMNER

The actual value or consideration, whichever is greater, for this transfer is \$0.00.

Carl C. Pritchard III  
AFFIANT

Subscribed and sworn to before me this 15th day of January, 2009.



My Commission Expires: 5-8-12

## SANITARY SEWER SERVICE AGREEMENT

This Sanitary Sewer Service Agreement (the "Agreement") is made and entered as of this \_\_\_ day of \_\_\_\_\_, 20\_\_, by and between **TENNESSEE WASTEWATER SYSTEMS, INC.**, a Tennessee corporation ("TWS") and **Melvin Norfleet, Jr./Norfleet Builders, LLC**, a Tennessee limited liability company ("Developer").

### WITNESSETH:

**WHEREAS**, TWS has the ability and technology to own and operate a system for the processing and disposal of wastewater in **Robertson County**, Tennessee;

**WHEREAS**, Developer plans and intends to develop a residential development community presently known as **Stoney Brook Subdivision** (the "Development"), located at 8411 Highway 25 East, Cross Plains, Robertson County, Tennessee and identified as Map 74, Parcel 74, in Robertson County, TN ("Property") described on Exhibit A attached hereto;

**WHEREAS**, Developer is responsible for constructing the collection and disposal systems to serve the Development in accordance with the Plans and Specifications so that TWS is able to serve the wastewater treatment and disposal needs of the Development ;

**WHEREAS**, Developer has requested TWS to commit to serve the Development; and,

**WHEREAS**, TWS is willing and able to serve said Development upon the terms, provisions and conditions hereinafter set out, all of which are acceptable to the Developer.

**NOW, THEREFORE**, for and in consideration of the mutual covenants of the parties, and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

1. **Definitions**. In addition to the terms defined in the text of this Agreement, for purposes hereof, the following terms shall have the meaning ascribed to them below:
  - (a) "Applicable Laws" means all applicable constitutions, treaties, statutes, rules, regulations, ordinances, orders, directives, codes, judgments, decrees, injunctions, writs and determinations of any governmental or quasi-governmental authority.
  - (b) "Certified Installer" means a person who is certified by Adenus Technologies, LLC to construct and install the watertight tanks and service line connections within the Lot(s) of the Development.
  - (c) "Development" means that certain residential housing development owned and developed by Developer upon the Property and located adjacent and contiguous to the Sewage Facility Land.
  - (d) "Effective Date" means the date the last of the parties hereto executes this Agreement.
  - (e) "Event of Force Majeure" means a strike, lockout, labor dispute, embargo, flood, earthquake, storm, dust storm, lightning, fire, epidemic, act of God, war, national emergency, civil disturbance, riot, act of sabotage or terrorism, restraint by court order or order of another governmental authority, or any other occurrence beyond the reasonable control of the party in question; provided lack of necessary funds shall not be considered an "Event of Force Majeure"

for purposes hereof.

(f) "GSPD" means average gallons of sewage per day, calculated on a monthly basis. For example, if a customer of TWS released 300 gallons of sewage into the Sewer System in a thirty (30) day month, such customer would have released 10 GSPD during such month.

(g) "Lot" or "Lots" shall mean a portion or portions of the Property, which are shown on a Plat after the Plat has been recorded in the County Register of Deeds which Lot (except as otherwise noted herein) is to be used for residential purposes.

(h) "Lot Owner" or "Lot Owners" shall mean and refer to one or more persons who hold the record title to any platted Lot within the Property, including, but not limited to the Developer, which is part of the Property, but excluding in all cases any party holding an interest merely as security for the performance of an obligation.

(i) "Plans and Specifications" shall mean and refer to the plans and specifications for construction, installation and development of the Sewer System, as more particularly described on Exhibit C, attached hereto, which have been approved in writing by TWS. The Plans and Specifications shall also be in accordance with requirements of the State of Tennessee, Robertson County, and all Applicable Laws.

(j) "Plat" shall mean a subdivision plat of all or a portion of the Property which shows roads, open space, residential Lots and Waste Water Lots.

(k) "Property" shall mean and refer to the real property described on Exhibit A, attached hereto.

(l) "TDEC" means the Tennessee Department of Environment and Conservation.

(m) "TPUC" means the Tennessee Public Utility Commission and any successor thereto.

(n) "Sewage Facility" shall mean and refer to that certain sewage treatment facility constructed by or for the Developer on the Sewage Facility Land which is to be operated by TWS upon conveyance to TWS by the Developer in accordance with this Agreement.

(o) "Sewage Facility Land" means that land described on Exhibit B upon which the Sewage Facility is located, attached hereto.

(p) "Sewer System" means the Sewage Facility Land permitted for 19 residential Lots, the Sewage Facility as more particularly described in the Plans and Specifications, including, but not limited to all lines, pipes, meters, lift stations, equipment, machinery, fixtures, trade fixtures, easements and personal property used in connection with the operation thereof, whether or not located on the Sewage Facility Land or the Property, as the same may be altered, improved, modified, expanded or relocated from time to time.

(q) "Sewer System Construction" means the construction of improvements for the Sewer System necessary to accommodate the Development as more particularly described in the Plans and Specifications.

(r) "Wastewater Lot" means the same as shown on any Plat of the Property.

(s) "Robertson County" or the "County" means Robertson County, Tennessee.

2. **Compensation.**

(a) Developer will pay TWS a \$ 800.00 per Lot inspection and review fee. Payment is due when TWS signs a Subdivision Plat for the Lots within the Subdivision Plat as approved by the Robertson County, TN Planning Commission.

(b) Taxes – Developer is responsible for paying the corporate income tax as further explained in Paragraph 12(b).

(c) TWS will withhold signing the final plat for the development until all fees associated with the construction and installation of the System have been paid in full by the Developer.

3. **Sanitary Sewer Service.**

(a) *Dedication.* From and after the date the Sewer System is completed in accordance with the Plans and Specifications approved by TWS, and upon the completion or satisfaction by Developer and TWS, of all the other terms and conditions set forth herein, TWS shall give written acceptance of the system to the Developer and shall provide sanitary sewer service to the Development.

(b) *Usage.* Lot Owners shall only have the right to discharge sanitary sewage into the Sewer System, and the Lot Owners agree to use the Sewer System in a manner that complies with the "User Manual Do's and Don'ts for Effluent Collection Systems" attached hereto as Exhibit D. If sewer service to the Property is temporarily interrupted due to an Event of Force Majeure, TWS shall have no liability to the Developer or any Lot Owner on account of such interruption. In such event of temporary interruption, TWS shall use its best efforts to restore sewer service to the Property as quickly as possible. Developer represents and warrants that its contract of sale with each third-party purchaser or third-party builder of each Lot shall include in it the requirement that such person or entity must enter into a Sewer Service Agreement, in form and substance attached hereto as Exhibit E, by TWS.

(c) *Acceptance by TWS.* Upon completion of the Sewer System by the Developer for each phase of the Development, approval of the Sewer System by TWS, payment of all fees due under Section 2(a) applicable to Lots contained in such phase and conveyed to TWS any Wastewater Lot applicable to such phase. TWS hereby agrees to and will accept contribution of the system as an expansion and improvement of the Sewage Facility and Sewer System and will commence providing sewer service for such phase. .

4. **Permits.** TWS shall obtain and pay for all permits, licenses and other approvals necessary to allow TWS to deposit the applicable GSPD into the Sewer System, including, but not limited to, any regulatory approvals that must be obtained from TDEC, TPUC or any other governmental or quasi-governmental authority having jurisdiction over the Sewer System.

5. **Sewer System Construction.**

(a) *Installation and Developer Responsibility.* At its own expense and at no cost or expense to TWS, Developer shall furnish, install, lay and construct all of the Sewer System. The construction and installation of the Sewer System improvements shall be in strict accordance with the Plans and Specifications as approved by TWS. TWS shall inspect the construction of the improvements upon intervals determined by TWS. All Sewer System improvements shall be located as set forth in the Plans and specifications.

(b) *Delegation by Developer.* The Plans and Specifications require that Developer must install

watertight tanks and service connection lines within Lots in accordance with the Plans and Specifications, at Developer's expense. Should Developer authorize a Lot Owner or third-party builder to construct such watertight tanks and service connection lines within any Lot, Developer represents and warrants that it will require such person or entity to comply with the Plans and Specifications and bear all expense of compliance and insure that the installation work is performed by a Certified Installer.

(c) *Wastewater System Performance Bonds.* The Developer shall post any bonds as required by TWS, Robertson County in accordance with County rules and regulations, and TPUC.

(d) *No Liens.* Developer shall complete the development and construction of the Sewer System in accordance with the Plans and Specifications and the Sewer System shall be free of any laborers', materialmen's, mechanics', or other liens on any part of the Sewage Facility Land or the Sewer System and Developer shall not permit any such lien to be filed or otherwise imposed on any part of the Sewage Facility. In the event any such lien is filed against the Sewage Facility the Sewage Facility Land, or the System, Developer or Developer's contractor shall promptly cause such lien to be discharged or in lieu thereof file a bond or other security for the payment of such lien in form and amount satisfactory to TWS.

6. **Conveyance and Transfer.** Upon completion, Developer shall:

- (a) provide the TWS with "as-built" plans for the Sewer System;
- (b) grant TWS a non-exclusive sewer line easement, in the form attached hereto as Exhibit G, across those portions of the Property lying within five (5) feet of either side of the sewer line within the Property.

All costs, fees and expenses related to the foregoing within this Section 6 shall be the sole responsibility of Developer, including, without limitation, recording fees, transfer taxes, title premiums, title endorsement charges and survey costs.

7. **Developer Warranty.** The Developer, by and through Contractor, hereby warrants all Sewer System improvements installed by Contractor pursuant to the provisions of this Agreement against defects in workmanship and materials for the particular phase being platted for a period of one (1) year from the date TWS obtains twenty-five percent (25%) of the platted lots in the phase being connected to the system. The Developer shall reimburse TWS upon demand for all costs and expenses incurred by TWS to repair all breaks, leaks or defects of any type whatsoever arising from any cause whatsoever occurring within one (1) year from the date TWS obtains twenty-five percent (25%) of the platted lots in the phase connected to the Sewer System. The Developer may assign to TWS all warranties of the Contractor under the Construction Agreement but will remain responsible for insuring Contractor pays any costs in excess of the assigned warranties or repairs the Sewer System. The Developer hereby warrants that the Sewer System improvements shall be paid for in full and that no liens or encumbrances of persons claiming by, through or under the Developer shall remain in regard to the Sewer System improvements.

8. **Representations and Warranties.**

- (a) TWS represents, warrants and covenants to Developer that:
  - (i) TWS is a corporation duly organized and validly existing and in good standing under the laws of the State of Tennessee and is duly qualified to transact business in the State of Tennessee; and
  - (ii) TWS has all necessary power to execute and deliver this Agreement and perform

all its obligations hereunder without the consent or approval of any governmental authority;  
and

(iii) The execution, delivery and performance of this Agreement by the TWS does not conflict with or result in a violation of its organizational documents or Applicable Laws;  
and

(iv) The execution, delivery and performance of this Agreement by TWS does not conflict with or constitute a breach of, or constitute a default under, any contract, agreement or other instrument by which the TWS is bound; and

(v) TWS has not received notice of any litigation, administrative action, investigation or other governmental or quasi-governmental proceeding which would or could have an adverse effect upon its ability to fulfill all of its obligations under this Agreement; and

(vi) The execution, delivery and performance of this Agreement by TWS will not conflict with or result in a breach of any order, judgment, writ, injunction or decree of any court or governmental instrumentality; and

(vii) TWS is not a party to any voluntary or involuntary proceedings under any law relating to insolvency, bankruptcy, moratorium or creditors' rights.

(viii) All necessary permits as required by the State, County, and any other governing authority for the operation of the Sewage Facility have been or will be timely applied and obtained prior to commencement of the operation of the Sewage Facility.

(b) Developer represents, warrants and covenants to the TSW that:

(i) Developer is a limited liability company duly organized and validly existing and in good standing under the laws of the State of Tennessee and is duly qualified to transact business in the State of Tennessee; and

(ii) Developer has all necessary power to execute and deliver this Agreement and perform all its obligations hereunder, without the consent or approval of any governmental authority; and

(iii) The execution, delivery and performance of this Agreement by Developer does not conflict with or result in a violation of its organizational documents or Applicable Laws;  
and

(iv) The execution, delivery and performance of this Agreement by Developer does not conflict with or constitute a breach of, or constitute a default under, any contract, agreement or other instrument by which Developer is bound; and

(v) Developer has not received notice of any litigation, administrative action, investigation or other governmental or quasi-governmental proceeding which would or could have an adverse effect upon its ability to fulfill all of its obligations under this Agreement; and

(vi) The execution, delivery and performance of this Agreement by Developer will not conflict with or result in a breach of any order, judgment, writ, injunction or decree of any court or governmental instrumentality; and

(vii) Developer is not a party to any voluntary or involuntary proceedings under any law relating to insolvency, bankruptcy, moratorium or creditors' rights and;

(viii) That to its knowledge all necessary permits as required by the State, County, and any other governing or regulatory authority have been applied or will be applied for by the Contractor and obtained prior to the construction of the Sewer Facility.

9. **Default and Termination.**

(a) Notwithstanding anything to the contrary herein, TWS may, at all times prior to the completion of the Sewer System, terminate this Agreement in the event that:

(i) Developer has materially failed to perform its obligations with regard to construction of the Sewer System pursuant to the terms of this Agreement and in accordance with the Plans and Specifications and has failed to cure said failure within fifteen (15) calendar days after receiving written notice from TWS specifying in detail the nature of such failure; provided if such failure cannot reasonably be cured within said fifteen (15) calendar day period, then TWS may not terminate this Agreement if Developer has commenced to cure the failure within said fifteen (15) calendar day period and thereafter prosecutes such cure to completion with reasonably acceptable diligence; or

(ii) Developer has defaulted in the payment to TWS of the fees set forth in Section 2(a) as and when required and fails to cure such default within fifteen (15) calendar days after notice from TWS thereof and thereafter prosecutes such cure to completion with reasonably acceptable diligence.; or

(iii) A receiver, liquidator, or trustee of Developer shall be appointed by court order, or a petition to liquidate or reorganize Developer shall be filed against Developer under any bankruptcy, reorganization or insolvency law and such order or petition is not vacated or dismissed within sixty (60) calendar days, or Developer shall voluntarily file a petition in bankruptcy or request for reorganization under any provision of the bankruptcy reorganizational insolvency laws unless such petition is dismissed within sixty (60) calendar days after the filing thereof, or if Developer shall make an assignment of all or substantially all of its assets for the benefit of creditors, or if Developer is adjudicated bankrupt.

(b) Developer may terminate this Agreement, at any time during the term of this Agreement prior to completion of the Sewer System, if a receiver, liquidator, or trustee of TWS shall be appointed by court order, or a petition to liquidate or reorganize TWS shall be filed against TWS under any bankruptcy, reorganization or insolvency law and such order or petition is not vacated or dismissed within sixty (60) calendar days, or TWS shall voluntarily file a petition in bankruptcy or request for reorganization under any provision of the bankruptcy reorganizational insolvency laws unless such petition is dismissed within sixty (60) calendar days after the filing thereof, or if TWS shall make an assignment of all or substantially all of its assets for the benefit of creditors, or if TWS is adjudicated bankrupt.

Further, Developer may terminate this Agreement in the event that TWS has materially failed to perform its obligations will regard pursuant to the terms of this Agreement and has failed to cure said failure or default within fifteen (15) calendar days after receiving written notice from Developer specifying in detail the nature of such failure; provided if such failure cannot reasonably be cured within said fifteen (15) calendar day period, then Developer may not terminate this Agreement if TWS has commenced to cure the failure within said fifteen (15) calendar day period and thereafter prosecutes such cure to completion with reasonably acceptable diligence.

10. **Indemnification.**



a) Each party agrees to indemnify and hold harmless the other from, against and/or with respect to:

i) Any loss, expense, liability, damage, or deficiency resulting from any material misrepresentation, breach of warranty, or nonfulfillment of any covenant or agreement on the part of such party made or given in or with respect to this Agreement, or from any material misrepresentation in or omission from any certificate, schedule, exhibit or other document or instrument furnished or to be furnished to the other in connection with the transactions provided for in this Agreement, or from any gross negligence or willful misconduct of the other party; and/or

ii) Any and all costs and expenses (including attorneys' fees) arising in connection with any of the foregoing.

b) In addition to the above, Developer shall indemnify and hold TWS harmless of, from, against and in respect of:

i) Any tax lien, levy, assessment, payment, liability, penalty or other deficiency, whether disputed or not, suffered or incurred by TWS as a result of or arising out of Developer's ownership of the Property;

ii) Any judgment, award, payment, settlement, cost or expense arising out of Developer's ownership of the Property, and rendered against or suffered or incurred by TWS as a result of or with respect to any lawsuit;

iii) Any and all costs and expenses (including attorneys' fees) arising in connection with any of the foregoing.

iv) Any violation of any permit requirement of the State of Tennessee, Robertson County, and any other governing or regulatory authority with jurisdiction over the construction of the sanitary sewer.

c) The provisions of this section shall survive completion of the Project and/or expiration or termination of this Agreement.

11. **Environmental Indemnity.** In addition to the above, Developer represents, warrants and covenants to, for and with TWS that:

(a) there are no Hazardous Materials which have been generated and disposed of by Developer or which have been generated and disposed of by Developer and have migrated to the Property (including the ground water thereon) from any adjacent real estate owned, leased, or otherwise controlled by Developer, (except for those Hazardous Materials which may be stored on or about the Property in accordance with the Applicable Environmental Laws), as such terms are defined in the Applicable Environmental Laws, or in any regulations promulgated pursuant thereto; and

(b) there are no underground storage tanks which are owned or operated by Developer located in or about the Property; and

(c) Developer has not received any notice and to the actual knowledge of Developer no notice has been given to any party in the chain of title to the Property, by any person claiming any violation of, or requiring compliance with, any Applicable Environmental Laws, demanding payment or contribution for environmental damage; and

(d) to the knowledge of Developer, no investigation, administrative order, consent order or agreement, litigation, or settlement with respect to Hazardous Materials located, on about or under all or a portion of the Property or contiguous or adjacent to the Property (provided that such contiguous or adjacent property is owned or controlled by Developer) is pending, or, to the knowledge of Developer, proposed, threatened or anticipated.

To the extent that Developer breaches any of the aforementioned representations and TWS is required by law to undertake any remedial or removal actions in connection therewith, as defined in the Applicable Environmental Laws, or to the extent that TWS is otherwise liable to incur costs or may otherwise be held liable to any third party in connection with such breach or for any removal or remedial actions taken with respect thereto, then, within a reasonable period of time following receipt of notice thereof from TWS, Developer shall indemnify TWS and hold TWS harmless from all liabilities, damages and costs incurred by TWS with respect to such breach including, without limitation, all claims, liabilities, loss, costs or expenses arising from the incurrence of any penalties, charge or expenses with respect thereto in defending itself against any suit or action brought by such third party, and in paying or satisfying any judgment obtained by such third party against TWS. The obligations of Developer under this section and the indemnity given hereunder shall survive the Closing.

12. **Developer Obligations.**

(a) The Developer shall pay an annual wastewater capacity reservation fee of \$120.00 per platted Lot, or as may be amended from time to time by the TPUC, for each Lot owned that is not attached to the Sewer System. Should the Developer sell a Lot, the Developer agrees to include in the sales contract with the purchaser the requirement to pay to TWS an annual wastewater capacity reservation fee at the then current TPUC established rate to defray the cost of testing and reporting to the State of Tennessee. The fee shall be payable each year by December 15<sup>th</sup> for the owners of record as of December 1. When the Lot Owner attaches to the Sewer System and accepts service with the Sewer System, such Lot Owner shall pay a prorated fee for that year and the fee shall not be charged thereafter so long as the Lot Owner maintains service.

~~(b) Developer shall pay TWS the federal corporate income tax associated with the amount of the contribution of the wastewater system. The formula to be used to calculate the tax is as follows:~~

$TR/(1-TR) * C + P$ . TR is the current effective corporate tax rate which is presently 21%. C is the amount of cash provided to TWS and P is the amount (cost) of the property (real and personal) to be conveyed to TWS. The taxes shall be paid at the time the final Subdivision plat is presented to TWS for signature.

13. **Operation, Maintenance and Improvements.**

(a) TWS shall:

(i) perform all repairs, maintenance and replacements necessary to keep the Sewer System in a good working order; and

(ii) operate the Sewer System in compliance with Applicable Laws, including, but not limited to, all Applicable Laws related to human health, safety and the environment. To the extent

reasonably possible, TWS shall perform all repairs, maintenance and replacements to the Sewer System in a manner that does not interfere with its ability to provide sewer service to the Property. In the event any repairs, maintenance or replacements to the Sewer System will result in an interruption of sewer service to the Property, TWS shall notify Developer thereof and use its best efforts to minimize the interference caused thereby, which efforts shall include, but not be limited to, working with Developer to schedule the repairs, maintenance and replacements so as to avoid or lessen the disruption. Service by TWS will be provided in compliance with its established tariff in effect at the TPUC.

(b) Developer further agrees to execute, acknowledge and deliver to TWS any and all mutually agreed upon easements that may be necessary or appropriate as determined by TWS for the construction, expansion, access, operation and maintenance of TWS's Sewer System, or portion thereof provided such easements shall not interfere with the building envelope of any Lot..

14. **Restrictive Covenants.** Developer shall include, within any declaration or other instrument regarding restrictive covenants for the Development, a provision regarding the sewage disposal system set forth herein as drafted by TWS, in form and substance materially similar to the language as more particularly set forth in Exhibit H, attached hereto.

15. **Water Valve Requirements.** Developer is required to install a water shut off valve with an appropriate valve box in the water line on the customer's side of the water meter at each home in the subdivision. If the Developer sells the lot to allow another party to build on the lot, they must insure that the purchaser is notified of the water valve requirements.

16. **Assignment.** Neither Developer nor TWS shall not have the right to sell, assign, transfer, lease or convey all or a portion of its rights hereunder without the prior written consent of the other party. Developer and TWS shall have the right to assign all of its rights under this Agreement to any party purchasing the Sewer System or the Property so long as such party assumes all of Developer or TWS's respective obligations hereunder. It is agreed that as used herein, "Developer" shall mean Developer and its respective successors, assigns, transferees and tenants, with the exception of customers purchasing completed homes on the Property, and "TWS" shall mean TWS and its respective successors and assigns.

17. **Miscellaneous.**

(a) Entire Agreement. This Agreement (i) constitutes the entire agreement and understanding of Developer and TWS with respect to the subject matter hereof, and (ii) may be amended only by a written instrument executed by Developer and TWS.

(b) Governing Law. This Agreement shall be governed by and construed under the laws of the State of Tennessee.

{c} Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

(d) No Waiver. No waiver of any provision of this Agreement shall be deemed to have been made unless expressed in writing and signed by the party charged therewith. No delay or omission in the exercise of any right or remedy accruing upon the breach of this Agreement shall impair such right or remedy or be construed as a waiver of such breach. The waiver by Developer or TWS of any breach shall not be deemed a waiver of any other breach of the same or any other provision of this Agreement.

(e) Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining terms hereof will not be affected,

and in lieu of each provision that is found to be illegal, invalid or unenforceable, a provision will be added as a part of this Agreement that is as similar to the illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

(f) Prior Drafts. All negotiations, considerations, representations and understandings between Developer and TWS are incorporated herein. No inference shall be drawn from the addition, deletion or modification of any language contained in any prior draft of this Agreement.

(g) Attorneys' Fees. If any legal proceeding is commenced to (i) enforce the terms of this Agreement or (ii) interpret the provisions contained herein, the prevailing party in such legal proceeding shall be entitled to recover its reasonable attorneys' fees, court costs and litigation expenses from the non-prevailing party.

(h) Exhibits. TWS and Developer hereby acknowledge and agree that all exhibits referenced in this Agreement are attached hereto and incorporated herein by reference.

(i) Relationship Between the Parties. This Agreement shall not be deemed or construed to create a partnership or joint venture between Developer and TWS or cause Developer or TWS to be liable or responsible in any way for the agreements, actions, liabilities, debts or obligations of the other.

(j) Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed as original documents and all such counterparts shall together constitute one and the same instrument.

**SIGNATURE PAGE TO FOLLOW**

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the Effective Date.

**TWS**

**TENNESSEE WASTEWATER SYSTEMS, INC.**

a Tennessee corporation

By: \_\_\_\_\_

Name: Jeff Riden

Title: Chief Executive Officer

**Developer**

**Norfleet Builders, LLC**

a Tennessee Limited Liability

Corporation By: \_\_\_\_\_

Name: Melvin Norfleet, Jr.

Title: Owner Developer



STATE OF TENNESSEE  
COUNTY OF \_\_\_\_\_

Personally appeared before me, \_\_\_\_\_, Notary Public, Jeff Riden, with whom I am personally acquainted and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the Chief Executive Officer of Tennessee Wastewater Systems, the within named bargainor, a Tennessee corporation, and is authorized to execute this instrument on behalf of Tennessee Wastewater Systems.

WITNESS my hand, at office, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

STATE OF TENNESSEE  
COUNTY OF Sumner

Personally appeared before me, Melvin E. Norfleet Jr, Notary Public, Constantina LaScala, with whom I am personally acquainted and who acknowledged that he/she executed the within instrument for the purposes therein contained, and who further acknowledged that he/she is the Owner of Norfleet Builders LLC the within named bargainor, a Tennessee Limited Liability Company, and is authorized to execute this instrument on behalf of Norfleet Builders LLC

WITNESS my hand, at office, this 23 day of October, 20 19.



Constantina LaScala  
Notary Public  
My Commission Expires: 2/25/2020

## CAPACITY AGREEMENT

This AGREEMENT made and entered into this 21 day of October 2018, by and between Adenus Capacity, LLC, ("**Adenus**"), and Mr. Melvin Norfleet, Jr./Norfleet Builders, LLC, a Tennessee limited liability company ("**Developer**") acknowledging, stating, and agreeing as follows:

**WHEREAS**, Developer plans and intends to develop a residential development community presently known as **Stoney Brook Subdivision**, located at 8411 Highway 25 East, Cross Plains, Robertson County, Tennessee and identified as Map 74, Parcel 74, in Robertson County, TN ("**Property**") described on Exhibit A attached hereto;

**WHEREAS**, **Developer** desires to establish wastewater service to the **Property**; and

**WHEREAS**, Wastewater service to the **Property** is available through Tennessee Wastewater Systems, Inc. ("**TWSI**") through the Cross Plains Treatment Facility ("**Facility**"); and

**WHEREAS**, **Adenus** owns the capacity at the **Facility**; and

**WHEREAS**, the Facility has sufficient capacity to serve the Property; and

**WHEREAS**, this Agreement is made and entered into to fully set forth the rights and obligations of the parties.

**NOW, THEREFORE**, in consideration of the recitals above which are incorporated herein by reference and the mutual promises of the parties contained herein, the parties agree as follows:

### WITNESSETH

1. **Adenus** will reserve for **Developer** 19 taps at the **Facility** in exchange for payment of \$4,000 per tap (\$76,000).
2. The taps are non-transferrable except as to any subsequent purchasers or assigns of the Property and may only be utilized with the Cross Plains Treatment Facility.
3. Payment of all tap fees to Adenus is required prior to TWSI signing any Development plat.
4. The terms and conditions of this Agreement shall be interpreted in accordance with the laws of the State of Tennessee and of the Chancery or Circuit Court of

Robertson County, Tennessee and these courts shall have the exclusive jurisdiction and venue to enforce any of the terms, conditions, rights, and obligations of this Agreement.

5. Either party to this Agreement shall have the right to seek enforcement including, but not limited to, specific performance and damages arising under a breach or default of this Agreement. In the event of such action, the successful party shall be entitled to recover all costs incident to enforcing this Agreement, including, but not limited to, court costs and reasonable attorneys' fees.
6. The terms, conditions, rights, and obligations set forth in this Agreement shall be amended only by an agreement in writing between the parties.
7. If one or more of the provisions of this Agreement shall be determined to be unenforceable, this determination shall not affect the validity of the remaining terms, conditions, rights, and obligations set forth herein.
8. This Agreement is binding upon, and inures to the benefit of, the parties and their respective successors and assigns.

**IN WITNESS WHEREOF**, the parties to this Agreement have entered into this agreement on the day and date first above written.

**Adenus Capacity, LLC**  
**Jeff Ridsen**

\_\_\_\_\_  
Title: CEO

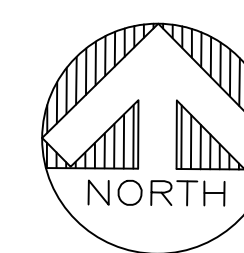
Date: \_\_\_\_\_

Norflex Builders, LLC  
~~Tennessee Realty Partners, LLC~~  
**Melvin Norfleet, Jr.**

[Signature]  
Title: Owner

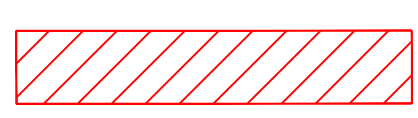
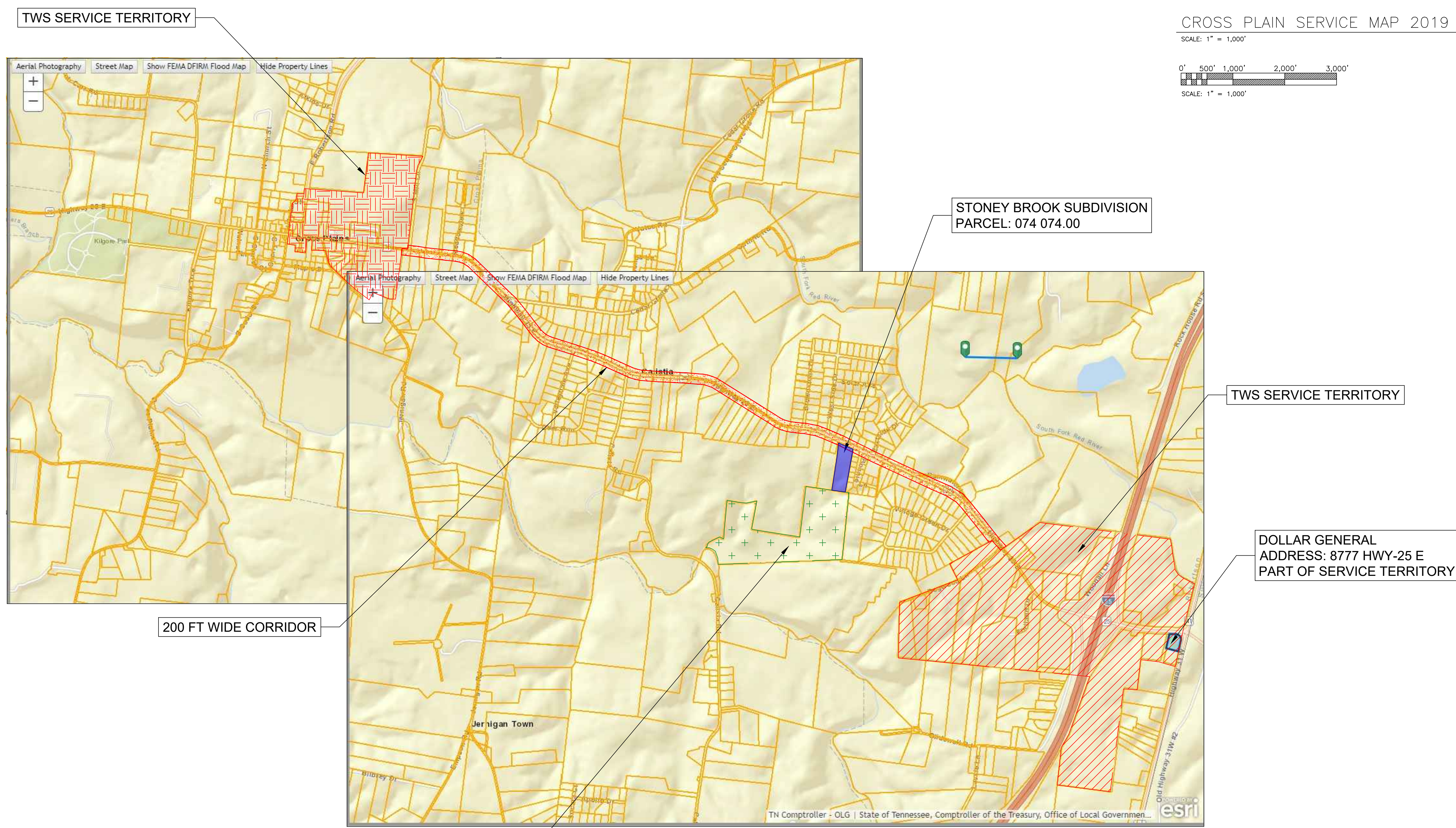
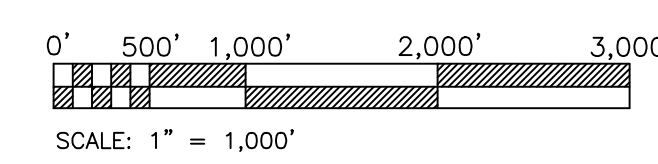
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CROSS PLAIN SERVICE MAP 2019

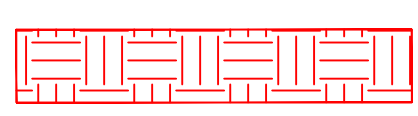
SCALE: 1" = 1,000'



CITY OF CROSS PLAINS #1



TENNESSEE WASTEWATER SYSTEMS INC. DRIP (B2P)



CITY OF CROSS PLAINS #2

CROSS PLAINS TREATMENT FACILITY  
SERVICE AREA MAP

LOCATED OFF HWY-25 E AND I-65  
ROBERTSON COUNTY, TENNESSEE

EXHIBIT "A"

Drawn by: DLF Date: OCTOBER 14, 2019

Scale: AS NOTED

Filename: CROSS PLAINS TREATMENT

SHEET 1 OF 1

PLANS PREPARED BY:  
**Adenus**  
SOLUTIONS GROUP



# STONEY BROOK SEWERLINE PLAN

8411 HIGHWAY 25-EAST  
CROSS PLAINS, TN  
ROBERTSON COUNTY

## SHEET INDEX

C4.01 ——— SEWERLINE PLAN & PROFILE  
C5.04 ——— CONSTRUCTION DETAILS

**UTILITY PROVIDER:**  
ADENUS WASTEWATER  
849 AVIATION PARKWAY  
SMYRNA, TN 37167  
(615) 220-7200



SERVING CLIENTS WITH CIVIL AND ENVIRONMENTAL ENGINEERING SERVICES  
3556 TOM AUSTIN HWY, SUITE 7, SPRINGFIELD, TN 37172  
PHONE: (615) 352-2000 FAX: (615) 373-4455  
www.kloberseng.com

CONSTRUCTION DOCUMENTS

**WPN 19-0154**  
**Stoney Brook Subdivision**  
**APPROVED FOR CONSTRUCTION**

THE DOCUMENT BEARING THIS STAMP HAS BEEN RECEIVED AND REVIEWED BY THE  
**TENNESSEE DEPT. OF ENVIRONMENT & CONSERVATION**  
**DIVISION OF WATER RESOURCES**  
AND IS HEREBY APPROVED FOR CONSTRUCTION BY THE COMMISSIONER

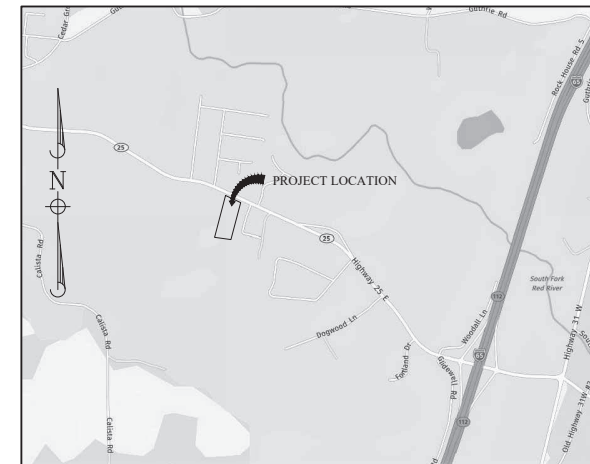
*Richard D. Pollock*

04/17/2019

THIS APPROVAL SHALL NOT BE CONSTRUED AS CREATING A  
PRESUMPTION OF CORRECT OPERATION OR AS WARRANTING BY THE  
COMMISSIONER THAT THE APPROVED FACILITIES WILL REACH THE  
DESIGNED GOALS.

**APPROVAL EXPIRES ONE YEAR FROM ABOVE DATE**

STONEY BROOK SEWERLINE  
DATE: 3/06/19



**Vicinity Map**  
Not to Scale





# STONEY BROOK SUBDIVISION SECTION NO. 2 SEWERLINE PLAN

8403 HIGHWAY 25-EAST  
CROSS PLAINS, TN  
ROBERTSON COUNTY

## SHEET INDEX

C4.01	SEWERLINE PLAN & PROFILE
C5.04	CONSTRUCTION DETAILS

**UTILITY PROVIDER:**  
TENNESSEE WASTEWATER SYSTEMS, INC.  
849 AVIATION PARKWAY  
SMYRNA, TN 37167  
(615) 220-7200

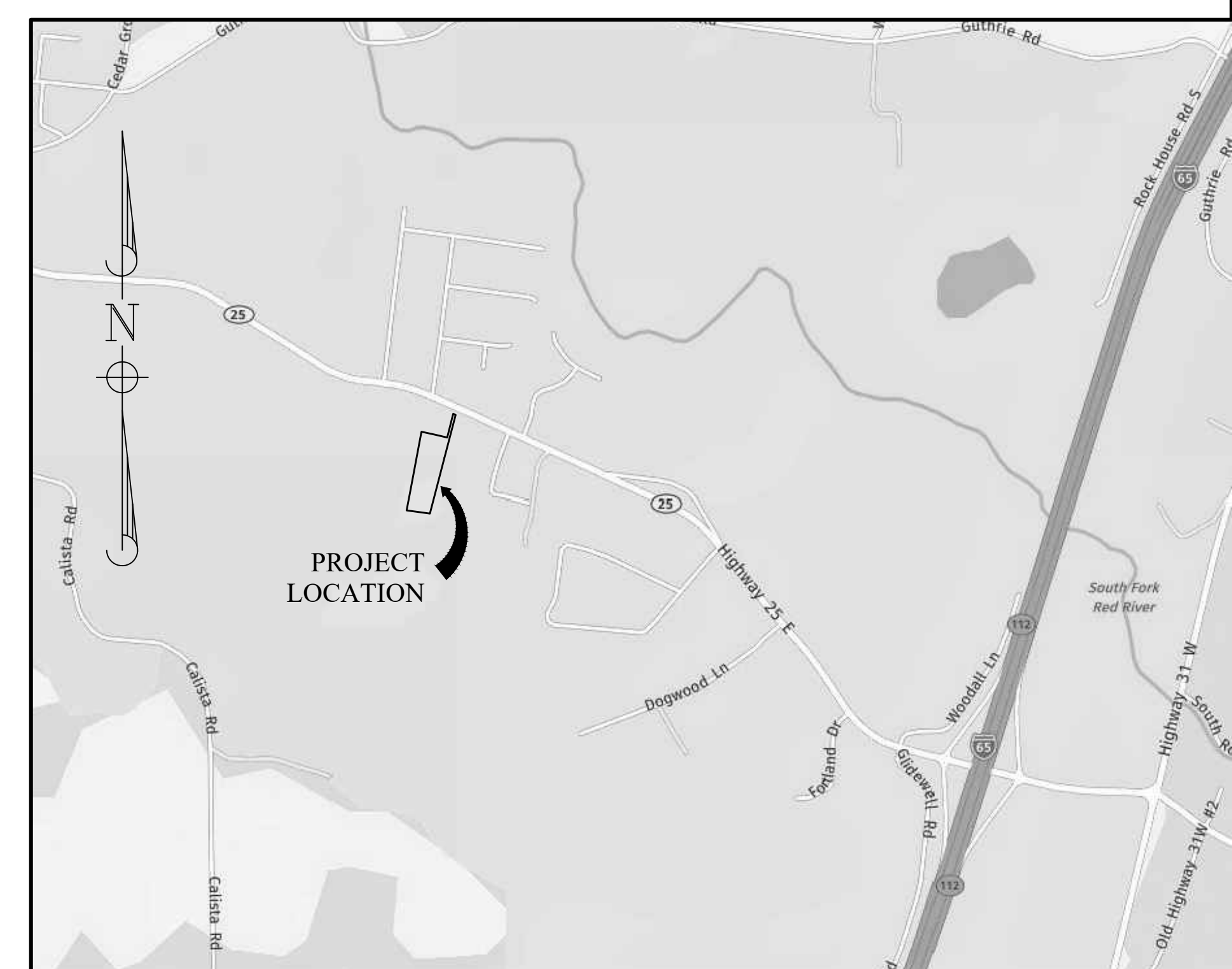


SERVING CLIENTS WITH CIVIL AND ENVIRONMENTAL ENGINEERING SERVICES  
3556 TOM AUSTIN HWY, SUITE 7, SPRINGFIELD, TN 37172  
PHONE: (615) 382-2000 FAX: (888) 373-4485  
www.klobereng.com



JOSHUA M. LYON, P.E. TN#112231

CONSTRUCTION DOCUMENTS

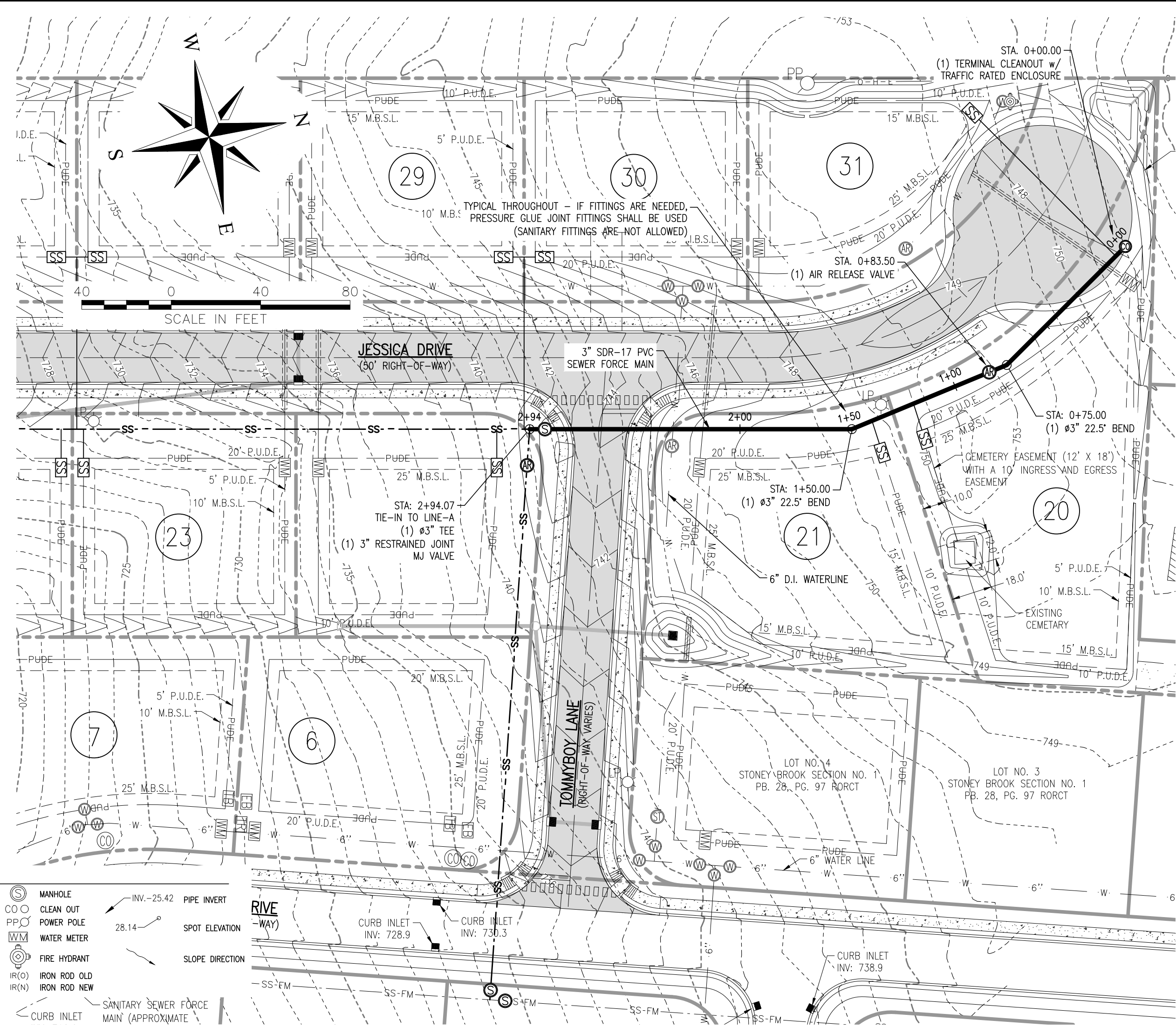
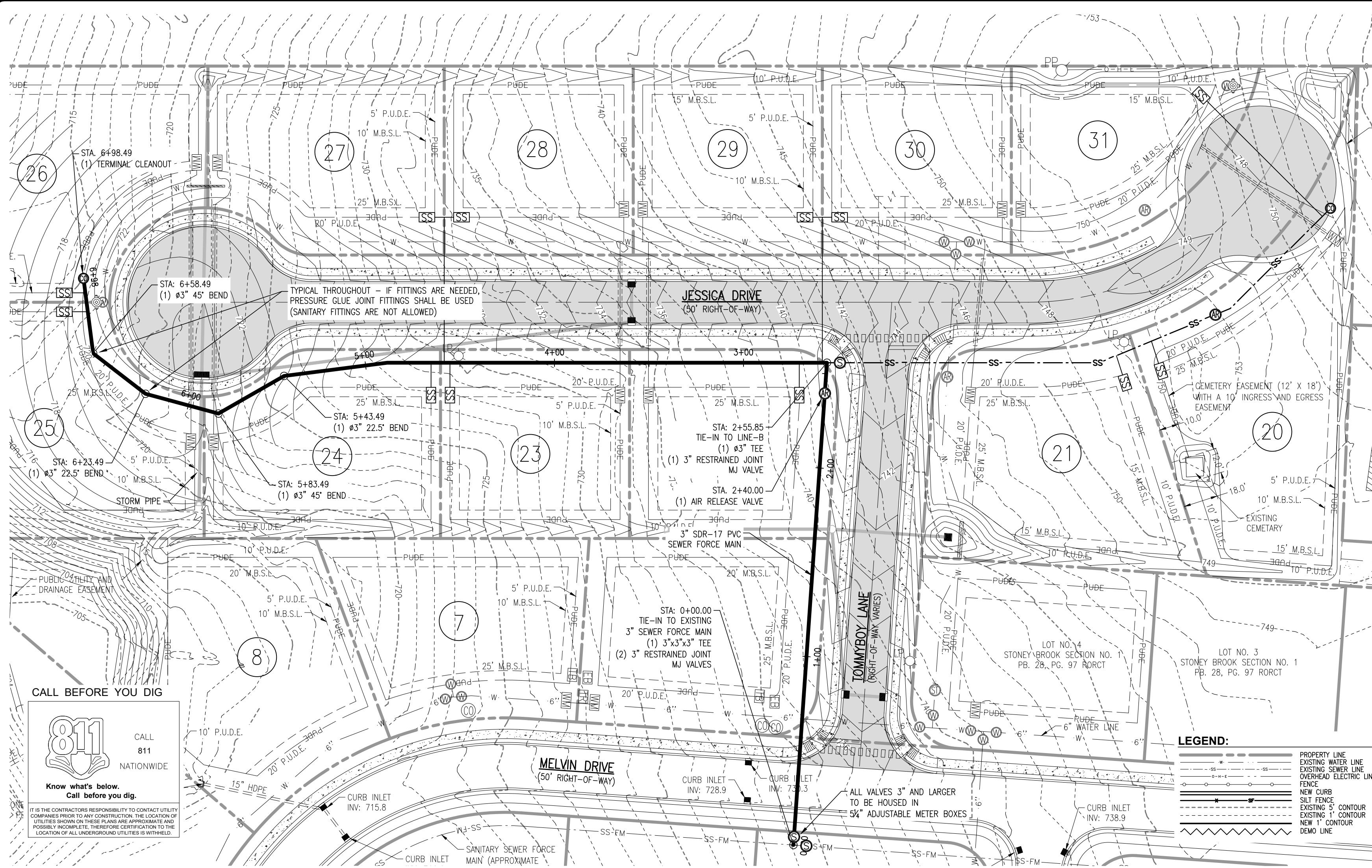


Vicinity Map  
Not to Scale

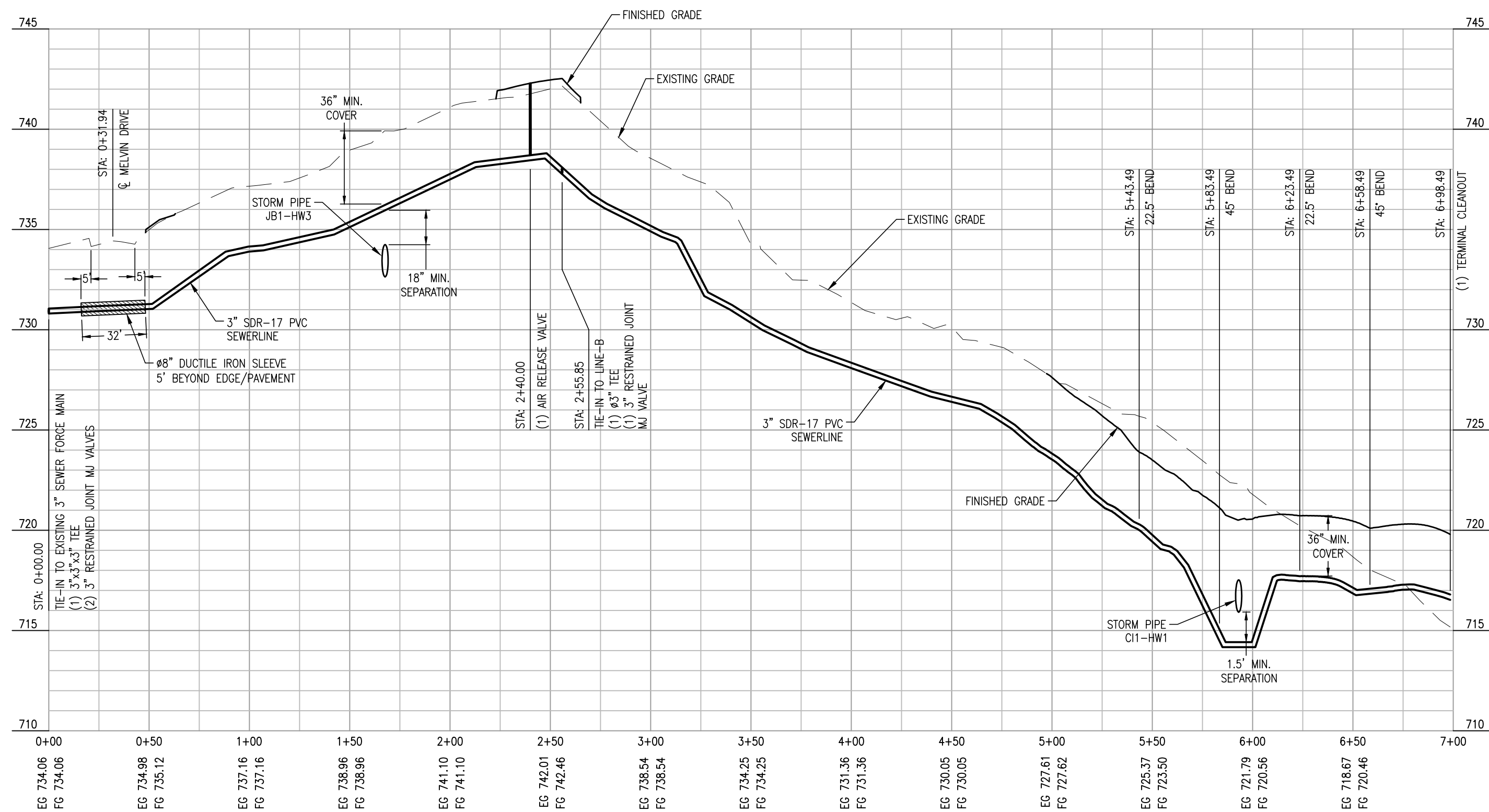
STONEY BROOK SECTION 2 SEWERLINE

DATE: 06-28-2021





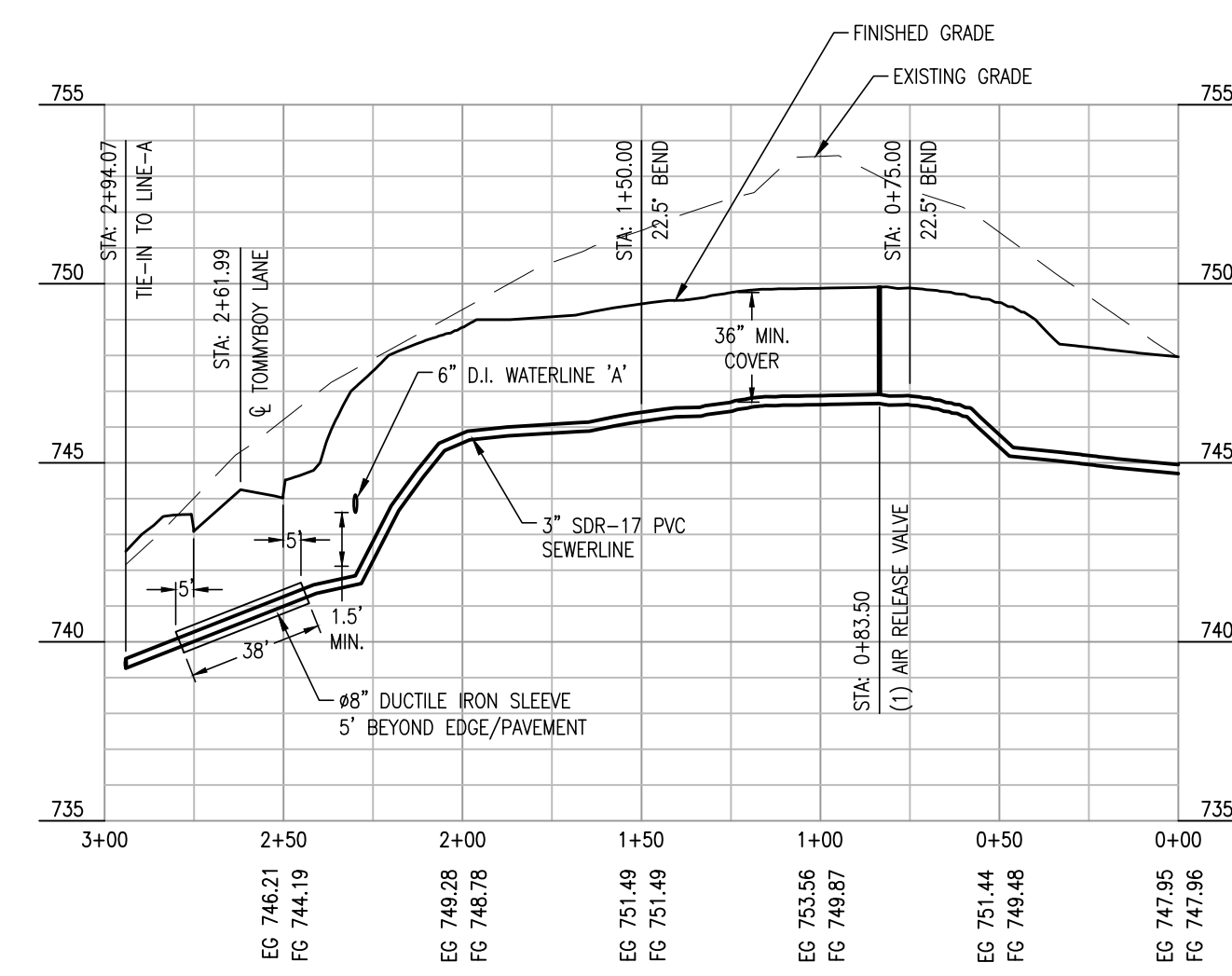
SEWER LINE A  
SCALE: 1"=50' HORIZONTAL  
1"=5' VERTICAL



SANITARY NOTES:

- 1) PIPE SHALL BE SDR-17 PVC
- 2) ALL VALVES 3" AND GREATER SHALL BE RESTRAINED MECHANICAL JOINT WITH 5.25" ADJUSTABLE METER BOXES
- 3) WHERE FITTINGS ARE REQUIRED, PRESSURE GLUE JOINT FITTINGS SHALL BE USED (NO SANITARY FITTINGS ALLOWED)

SEWER LINE B  
SCALE: 1"=50' HORIZONTAL  
1"=5' VERTICAL



**KLOBER**  
ENGINEERING SERVICES

SERVING CLIENTS WITH CIVIL ENGINEERING & LAND DEVELOPMENT SERVICES  
3558 FM AUSTIN HWY, SUITE 1, SPRINGFIELD, TN 37172  
PHONE: (615) 375-4465  
WWW.KLOBERSERVICES.COM

NO.	BY	DATE	DESCRIPTION
1	DRL	08/19/20	SEWER UPDATES, PVC TYPE, NOTES DETAILS
2	DRL	08/11/20	WATER UPDATES, LOT 1 SERVICE LOCATIONS
3	KAS	09/16/20	ADDED DETAIL
4	KAS	06/28/21	FINAL SEWER SUBMITTAL

**CONSTRUCTION DOCUMENTS**

JOSHUA M. LYON, P.E. TN#112331

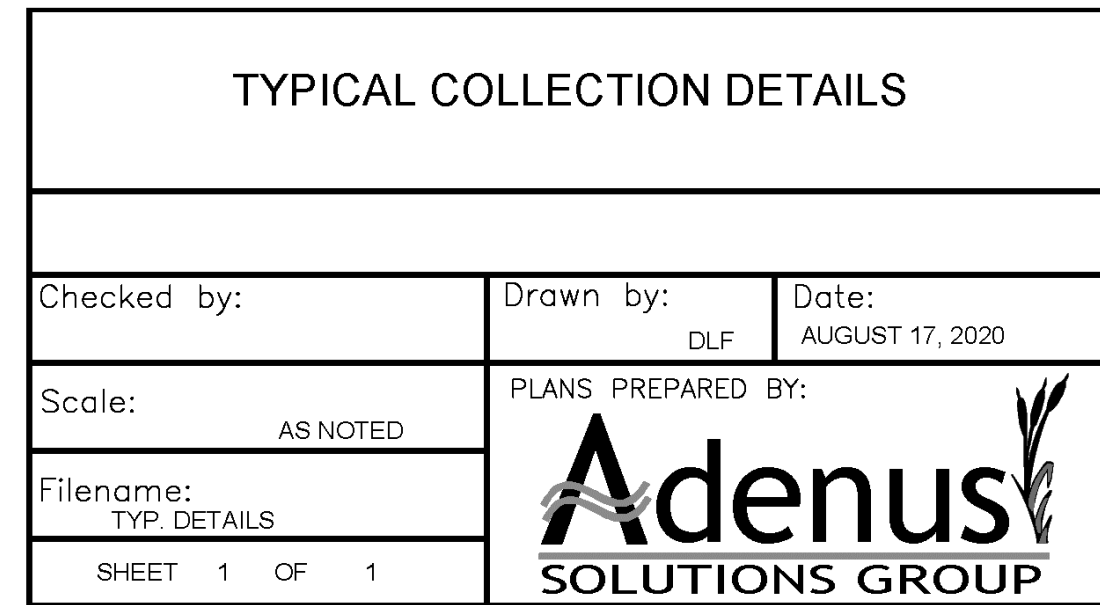
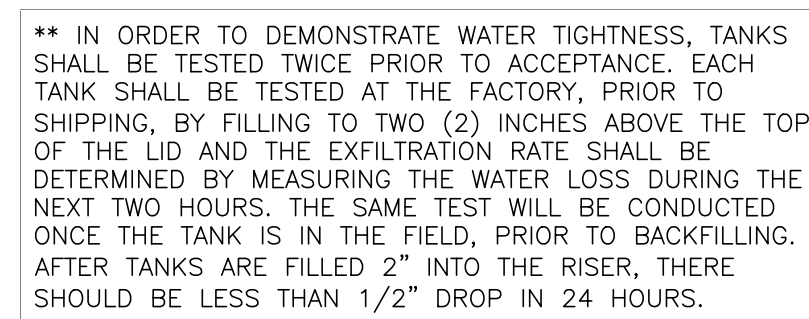
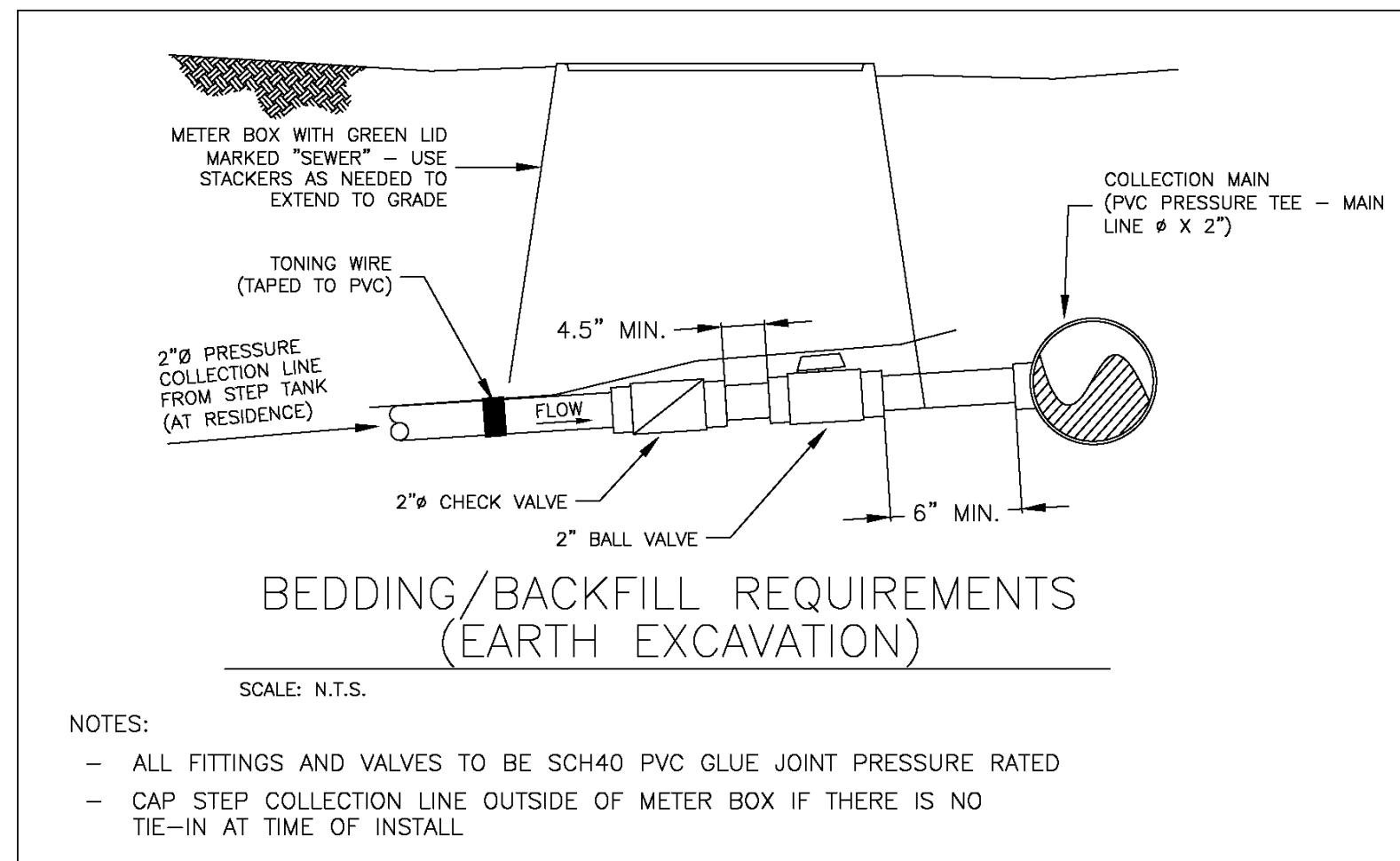
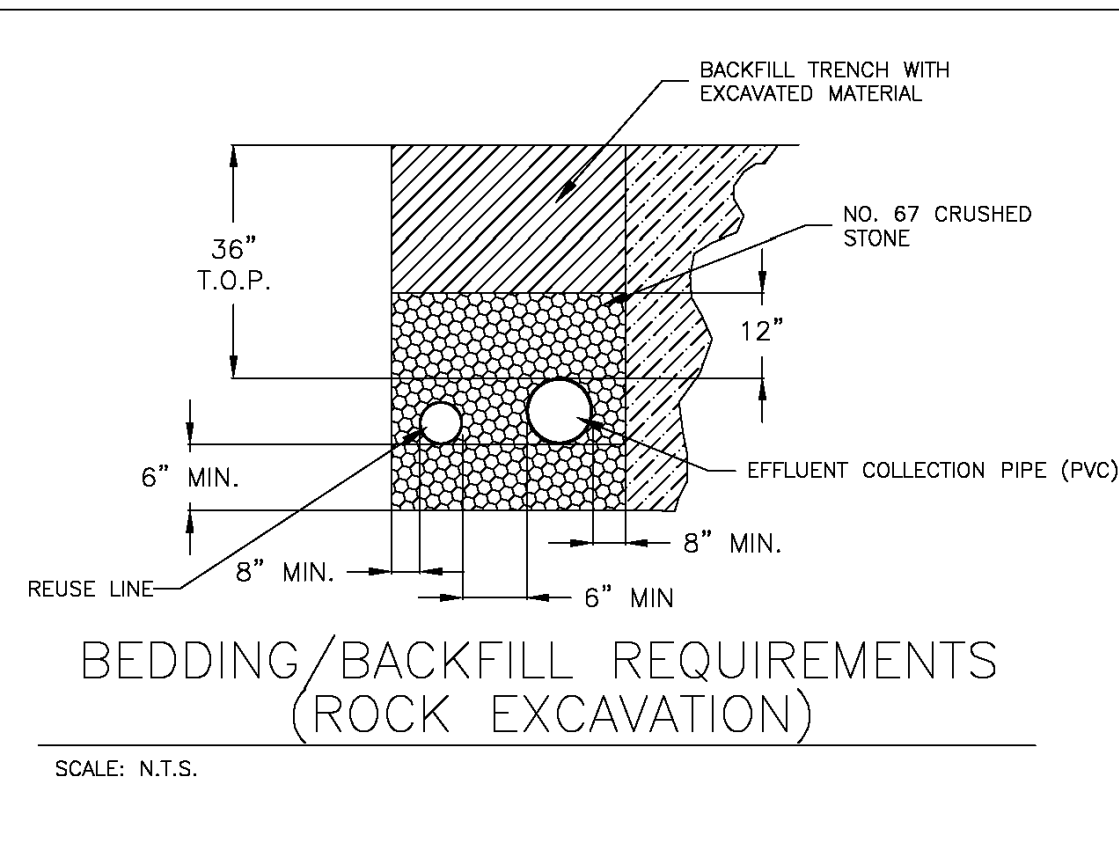
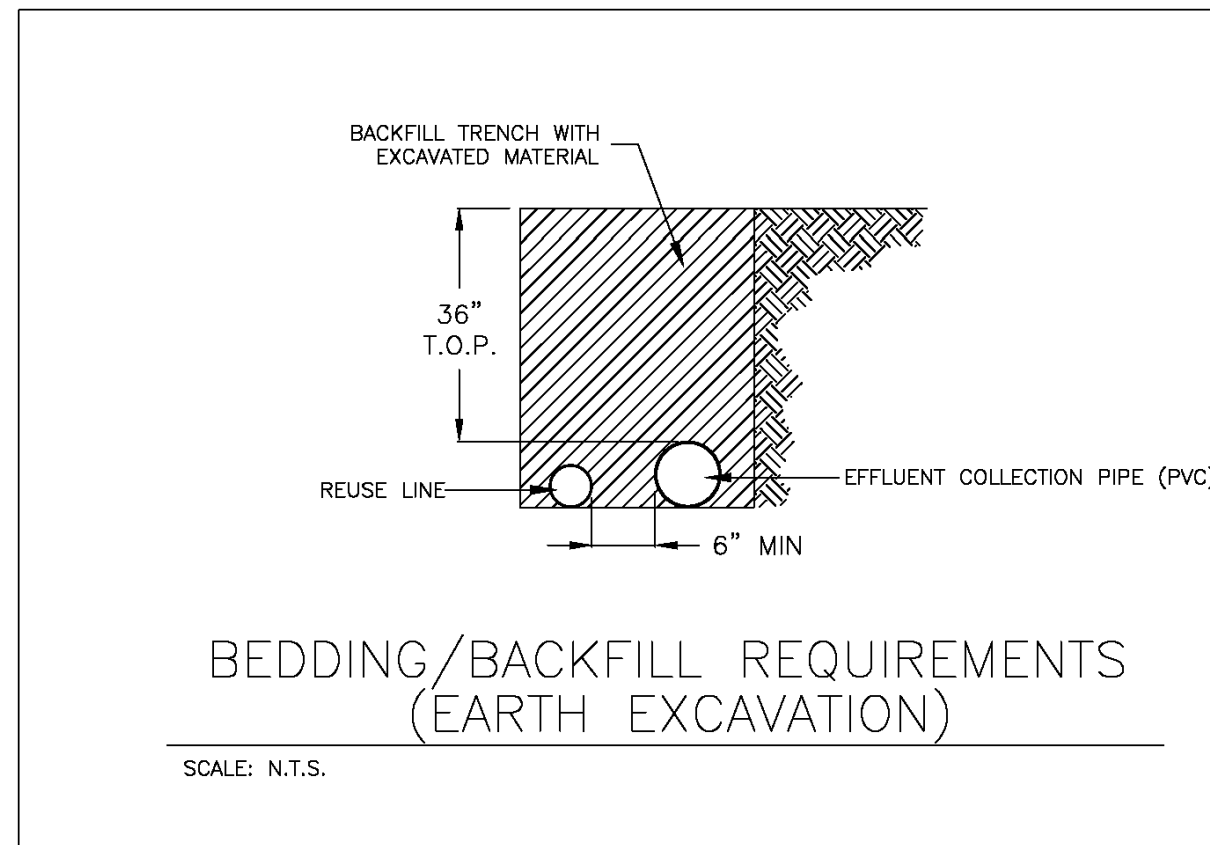
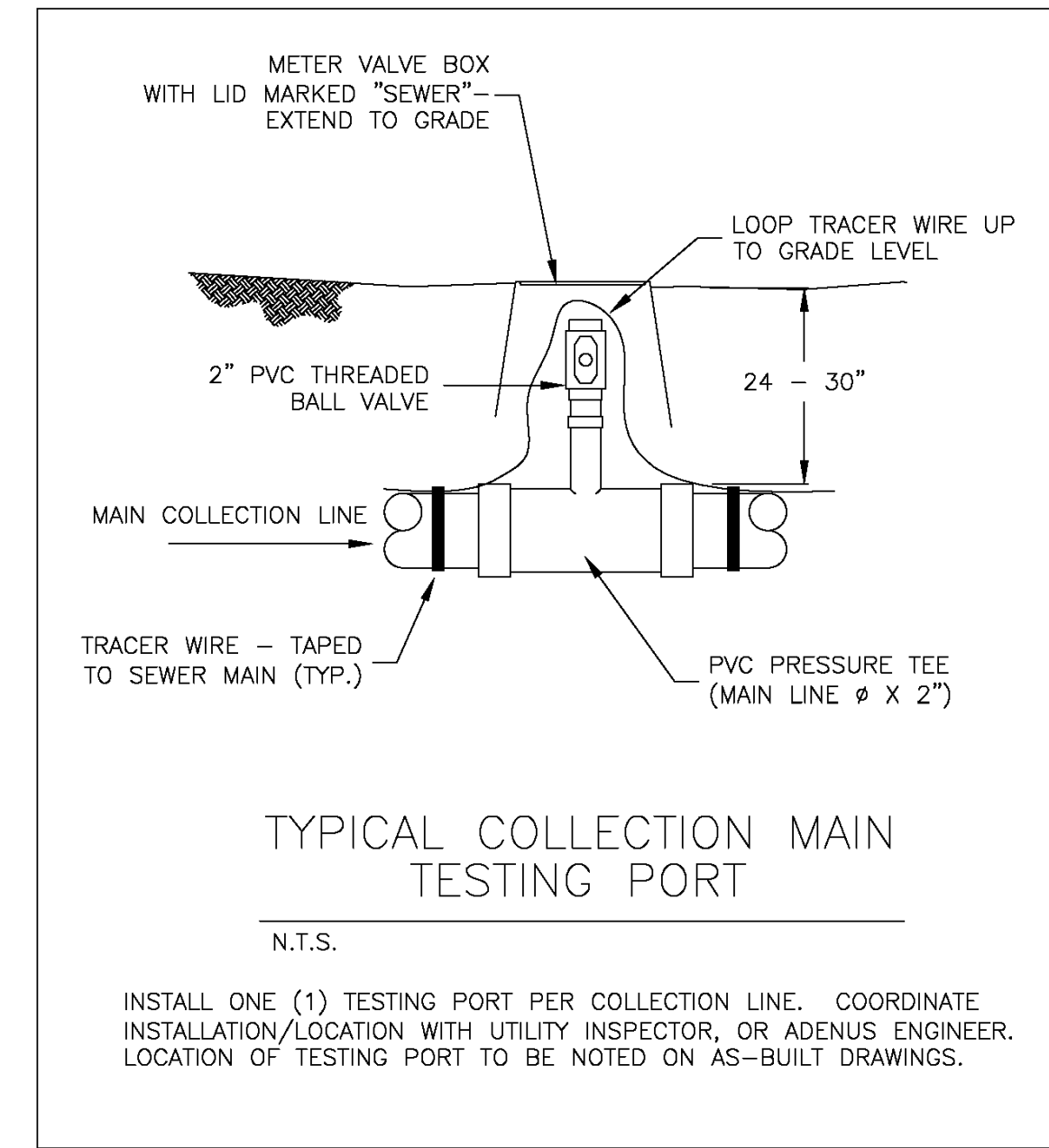
**STONEY BROOK**  
SUBDIVISION SECTION NO.2

8403 HIGHWAY 25 EAST  
CROSS PLAINS, TN  
ROBERTSON COUNTY

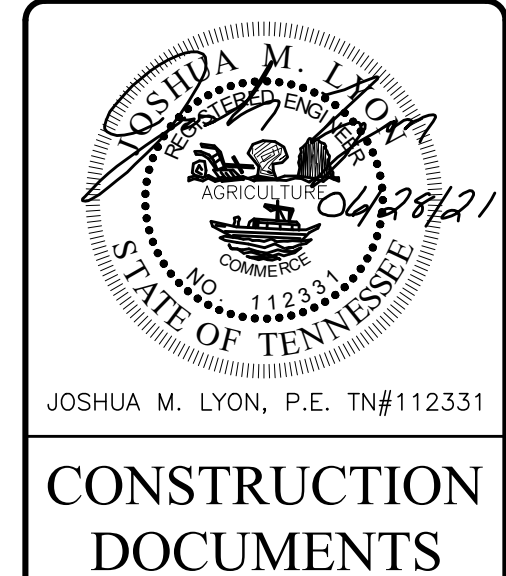
DRAWN BY: DRL  
CHECKED BY: JML  
PROJECT NO.: C03920

**SEWER PLAN & PROFILE**

SHEET NUMBER  
**C4.01**



REVISIONS		
NO.	BY	DATE DESCRIPTION
1	DBL	08/19/20 SEWER UPDATES - PVC TYPE, NOTES, DETAILS
2	DBL	08/31/20 WATER UPDATES, LOT 31 SERVICE LOCATIONS
3	KAS	09/16/20 ADDED DETAIL
4	KAS	06/28/21 FINAL SEWER SUBMITTAL



STONEY BROOK  
SUBDIVISION SECTION NO.2

8403 HIGHWAY 25 EAST  
CHESISTAN, WY 82512  
ROBERTSON COUNTY

DRAWN BY:	DRL
CHECKED BY:	JML
PROJECT NO.:	C03920
CONSTRUCTION DETAILS	
SHEET NUMBER	
C5.04	



## Customers by Address Type - CROSS PLAINS DCP

	Count
Residential	36
Commercial w/ Food	1
Commercial w/o Food	2

Service Address	City	State	Zip	Sewer Plant
8655 HWY 25	CROSS PLAINS	TN	37049	Cross Plains DCP
8777 HIGHWAY 25 EAST	CROSS PLAINS	TN	37049	Cross Plains DCP
8631 HWY 25 EAST	CROSS PLAINS	TN	37049	Cross Plains DCP
1217 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1071 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1050 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1127 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1040 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1091 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1075 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1064 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1165 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1139 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1023 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1176 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1041 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1190 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1216 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1197 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1053 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1023 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
1174 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
1138 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
1112 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
1059 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
2036 JULIE COURT	CROSS PLAINS	TN	37049	Cross Plains DCP
2033 JULIE COURT	CROSS PLAINS	TN	37049	Cross Plains DCP
1073 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
1154 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP
1171 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
1039 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
1109 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
8411 HIGHWAY 25 E.	CROSS PLAINS	TN	37049	Cross Plains DCP
1129 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
2015 JULIE CT	CROSS PLAINS	TN	37049	Cross Plains DCP
1062 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP
1151 MELVIN DRIVE	CROSS PLAINS	TN	37049	Cross Plains DCP



8415 HWY 25 EAST	CROSS PLAINS	TN	37049	Cross Plains DCP
1022 BONNIE LANE	CROSS PLAINS	TN	37049	Cross Plains DCP

[illegible]

Stoney Brook
Bonnie Brook

## SEWER CAPACITY AGREEMENT

**THIS AGREEMENT** (herein referred to as the "Agreement") is made and entered into on the 15<sup>th</sup> day of July, 2008, by and between Adenus Capacity, a Tennessee Limited Liability Corporation (hereinafter referred to as "AC"), TENNESSEE WASTEWATER SYSTEMS INC., a Tennessee Corporation, (hereinafter referred to as "Utility") and Mar-Car, LLC, and/or their designee (herein referred to as "Developer").

### WITNESSETH

**WHEREAS**, Developer owns and is the title holder to certain parcels of real property located in Robertson County, Tennessee, herein referred to as "The Property" and described on Exhibit "A" attached hereto and made a part hereof; and

**WHEREAS**, Developer's members are in the business of developing residential and commercial properties and are desirous of taking advantage of the benefits of decentralized wastewater systems for their developments; and

**WHEREAS**, AC is in the business of promoting and developing decentralized wastewater systems, the entire system including sewer main, treatment and dispersal hereinafter referred to as the "Decentralized System"; and

**WHEREAS**, Utility is (A) a corporation duly organized and validly existing and in good standing under the laws of the State of Tennessee and is duly qualified to transact business in the State of Tennessee, (B) has all necessary power to execute and deliver this Agreement and perform all its obligations hereunder, (C) the execution, delivery and performance of this Agreement by the Utility does not conflict with or result in a violation of its organizational documents or applicable laws, and (D) the execution, delivery and performance of this Agreement by Utility does not conflict with or constitute a breach of, or constitute a default under, any contract, agreement or other instrument by which the TWS is bound; and

**WHEREAS**, Developer understands that this agreement in no way creates, or intends to create, a partnership between the Developer and the Utility, or AC. Developer will have no control over the capacity created by the construction of the Decentralized System, other than the capacity credits, received for its contribution in aid of construction as set out in the following agreement. The Developer's capacity credits must be used in accordance with the provisions stated herein. As such, Developer also understands that it will have no responsibility as to the operation and maintenance of the Decentralized System. Developer agrees to adhere to the installation materials and specifications as set forth by the Utility; and

**WHEREAS**, Developer understands that 60 acres of property (property described in Exhibit B) will be conveyed to the Utility for the purpose of construction of the Decentralized System as set out in this agreement. The 60 acres will be referred to herein as the "The Treatment and Disposal Property"; and

**WHEREAS**, Developer upon utilizing wastewater treatment capacity purchased from AC desires and intends to Subscribe to Sewer (Wastewater Treatment) Service to be supplied by the Utility under the terms of "Commercial Sewer Service Agreement" attached to this Agreement as Exhibit D, and;

**WHEREAS**, AC is willing to cause to be constructed on the Treatment and Disposal Property, the Treatment and Dispersal components of the Decentralized System and the Utility's performance of its obligations all as set forth herein; and

**WHEREAS**, all parties understand and agree that all noncommercial parties connecting to the Decentralized System will be required to pay a "Utility Fee" of \$800.00 per lot fee at the time the Utility is requested to sign a final plat as the sewer service provider. This fee will be paid directly to the Utility to cover administrative fees, legal fees, regulatory coordination fees, plan review fees, installation inspection fees for sewer mains and residential services. Commercial fees will be charged a fee as determined by the Utility's engineer as indicated in the "Utility Fee" section of this agreement. All Utility fees are in addition to the \$3,500.00 preconstruction and \$4,000.00 post construction per residential lot capacity credit fee; and.

**WHEREAS**, Utility is willing to accept the transfer of title to the Decentralized System and to service the Decentralized System providing sewer service to Developer's residential and commercial developments; and

**WHEREAS**, all parties understand that the "Connection Point" is defined as the point of actual connection to the Sewer Main by any commercial or noncommercial sewer service subscriber and that the installation of all upstream collection tankage, piping and connections are the responsibility of the subscriber; and

**WHEREAS**, Utility will be responsible for the maintenance and operation of all tankage, piping and connections from the inlet of the onsite interceptor/septic tank through the treatment and dispersal system.

**WHEREAS**, A Pre-Construction Capacity Credit is defined as, a capacity credit sold prior to commencement of construction of the wastewater treatment system and the cost of a Pre-Construction Capacity Credit is \$3,500.00 and a Post Construction Capacity Credit is defined as, a capacity credit that is sold after the construction of the wastewater treatment facility and the cost of a Post Construction Capacity Credit is \$4,000.00. Both types of capacity credits are further defined in the following section under Obligations of AD.

**WHEREAS**, Post Construction is defined as the point where the construction is complete and the Treatment System as well as the land it is constructed on is accepted by and deeded over to the Utility.

#### **OBLIGATIONS OF THE PARTIES: PRICING UNITS**

**NOW THEREFORE**, for and in consideration of the recitals, and the covenants, and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**A. Obligations of AC**, AC agrees to cause to be constructed, on the Treatment and Disposal Property, the Treatment components of the Decentralized System with the sanitary sewer main

constructed to extend from the treatment system site no further than a point halfway between Fortland Drive and Dogwood Lane on Hwy. 25 approximately .37 miles west/northwest of the point where I 65 passes over Hwy 25.

A capacity credit, whether Pre-Construction or Post Construction is further defined as the design flow volume of a typical residential home connected to the Decentralized System. Commercial facilities connected to the Decentralized System, will be converted to residential equivalent wastewater capacity credits, by the Utility's engineer, in order to reflect the impact of the commercial connection on the Developer's committed capacity. Commercial connections will be based on the expected volume, strength and type of wastewater effluent. The three categories of connections and their capacity credit equivalents are further defined as follows:

- a. Residential -- sewer capacity for one (1) single-family residential dwelling (lot).
- b. Apartment/Condominium/Townhouse -- each three (3) bedrooms constitute one (1) sewer capacity credit.
- c. Commercial -- each 300 Gallons Per Day design flow constitutes one (1) sewer capacity credit.

Refer to Exhibit "I" attached hereto and made a part hereof for example basis of design information and calculations.

AC agrees to make available to Developer wastewater treatment capacity and drip disposal for up to 450 residential equivalent "Post Construction Capacity Credits".

**B. Obligations of Developer.** Developer agrees to convey 60 acres of property to AC for the site of the wastewater treatment and disposal system with the understanding that this 60 acres of property will be deeded over to the Utility for their final ownership upon completion of the construction of the Wastewater Treatment Capacity and its passing inspection by the Utility.

**C. Commencement of Construction.** The total project cost is \$700,176.00.00. Execution of this agreement and commencement of construction of the wastewater treatment capacity will take place only after agreements have been executed between AC and Utility Customers, resulting in a total revenue of at least \$300,176.00 for AC resulting from AC's sale of capacity.

**D. Developer's Recovery of Land Value.** Developer will recover the value of The Treatment and Disposal Property by his use or sale of the 450 residential equivalent Post Construction Capacity Credits. The 450 Post Construction Capacity Credits will become available for use or sale by the Developer, after an Initial 200.05 Pre-Construction Capacity Credits are sold by the Utility per the terms of this agreement, and the 450 Post Construction Capacity Credits will be valued at \$4,000.00 per credit. The developer can use any or all of the 450 Post Construction Capacity Credits for itself. In the event that an outside entity requests capacity from the system, the Utility will ask if the Developer and AC wish to sell any of its remaining Post Construction Capacity Credits. Should the Developer wish to sell its Post Construction Capacity Credits and AC does not, the developer will receive 100% of the revenue for each of the 450 Post Construction Capacity Credits sold. Should both the Developer and AC wish to sell Post Construction Capacity Credits, the Utility will split the units sold 50/50 between the developer and AC ( \$4,000.00 is split 50/50). This split sale will reduce the remaining number of the Developer's Post Construction Capacity Credits by 1/2 for each capacity credit jointly sold. No sale of capacity credits outside of the terms described herein will take place prior to Adenus having sold the 200.05 Pre-Construction Capacity Credits and the Developer having sold its 450 Post Construction Capacity Credits.

**E. Developer's Purchase of Additional Credits.** Developers may purchase additional capacity beyond the 450 Post Construction Capacity Credits sold at the current market price as set by Utility up to the capacity of the Decentralized System. Consequently, capacity credits may be sold by Developer but must be sold at the then current market price as set by Utility. However, should Developer sell the property, for which the capacity credits were intended to service, the capacity credits may be transferred with the property as part of the sale of the real estate.

### **REPRESENTATIONS AND WARRANTIES OF UTILITY**

Utility represents, warrants and covenants to the Developer that:

(A) Utility is a corporation duly organized and validly existing and in good standing under the laws of the State of Tennessee and is duly qualified to transact business in the State of Tennessee, (B) Utility has all necessary power to execute and deliver this Agreement and perform all its obligations hereunder, (C) the execution, delivery and performance of this Agreement by the Utility does not conflict with or result in a violation of its organizational documents or Applicable Laws, and (D) the execution, delivery and performance of this Agreement by Utility does not conflict with or constitute a breach of, or constitute a default under, any contract, agreement or other instrument by which the Utility is bound; and

(B) (A) Utility has not received notice of any litigation, administrative action, investigation or other governmental or quasi-governmental proceeding which would or could have an adverse effect upon its ability to fulfill all of its obligations under this Agreement, and (B) the execution, delivery and performance of this Agreement by Utility will not conflict with or result in a breach of an order, judgment, writ, injunction or decree of any court or governmental instrumentality; and

(C) Utility is not a party to any voluntary or involuntary proceedings under any law relating to insolvency, bankruptcy, moratorium or creditor's rights.

### **REPRESENTATIONS AND WARRANTIES OF DEVELOPER**

Developer represents, warrants and covenants to the Utility that:

(A) Developer is a Limited Liability Corporation duly organized and validly existing and in good standing under the laws of the State of Tennessee and is duly qualified to transact business in the State of Tennessee, (B) Developer has all necessary power to execute and deliver this Agreement and perform all its obligations hereunder, without the consent or approval of any governmental authority, (C) the execution, delivery and performance of this Agreement by Developer does not conflict with or result in a violation of its organizational documents or Applicable Laws, and (D) the execution, delivery and performance of this Agreement by Developer does not conflict with or constitute a breach of, or constitute a default under, any contract, agreement or other instrument by which Developer is bound; and (E) Developer has not received notice of any litigation, administrative action, investigation or other governmental or quasi-governmental proceeding which would or could have an adverse effect upon its ability to fulfill all of its obligations under this Agreement, and (F) the execution, delivery and performance of this Agreement by Developer will not conflict with or result in a breach

of any order, judgment, writ, injunction or decree of any court or governmental instrumentality; and (G) Developer is not a party to any voluntary or involuntary proceedings under any law relating to insolvency, bankruptcy, moratorium or creditors' rights.

### **AC AND DEVELOPER'S CONSTRUCTION ROLES**

AC shall cause to be installed, the Decentralized System and a Sewer Main and every component thereof in accordance with drawings, designs, engineering plans, and specifications approved by the Utility.

Developer shall cause to be installed, all collection lines, controls, pump stations, force mains above and beyond those listed above and other components necessary to deliver effluent generated by their development(s) to the Decentralized System for treatment and dispersal, hereinafter referred to as the "Collection System" in accordance with drawings, designs, engineering plans, and specifications approved by Utility.

### **CONSTRUCTION INSPECTION**

All construction begun, continued and completed with respect to the Decentralized System shall be subject to the inspection and approval of the Utility, who shall have a continuous access to the sites and right of inspection throughout the progress of the work. No pipe, fittings, components, equipment, tanks or connection shall be covered by any warranty or agreement of Utility until inspected and approved by the Utility and the Governmental Authorities having jurisdiction thereof. The Utility has no obligation to accept transfer or servicing of the Decentralized System unless it has approved the systems as built. The Utility will not unreasonably withhold or delay its approval.

### **TITLE TO THE DECENTRALIZED SYSTEM**

The land contributed by Developer for the Decentralized System, shall be conveyed to the Utility contemporaneously with the execution of this agreement. Upon successful completion of the tests of the Decentralized System acceptable to all governmental authorities with jurisdiction, and upon receipt of any and all certifications and any approvals necessary for operation of the Decentralized System from all applicable governmental authorities, and subject to the conditions of conveyance set forth herein, AC shall convey all the components of the Decentralized System's treatment and disposal, including, but not limited to, controls, pumps, filters and disposal/reuse facilities, along with the necessary easements. Developer shall transfer all collection lines, controls, pump stations, and other components lying within Developer's developments to the Utility, the land contributed by Developer and all other components of the Decentralized System conveyed to Utility by AC shall be a Contribution In Aid of Construction pursuant to 26 U.S.C. 118(c) and the Internal Revenue Service Regulations promulgated there under subject to the Utility's covenants and agreements herein contained to operate, repair, maintain and replace the Decentralized System. AC shall cause the Decentralized System to be conveyed, free and clear of all claims, liens, encumbrances or interests of third parties (except for such permitted encumbrances as set forth herein). The Developer shall cause all collection lines, controls, pump stations, force mains and other components to be conveyed free and clear of liens, encumbrances or interests of third parties (Except for such permitted encumbrances as set forth



herein). After transfer of title pursuant to the Contribution in Aid of Construction, the Utility shall be solely responsible for all operation, repairs, maintenance and replacement cost of said Decentralized System and each component thereof.

#### **EFFLUENT FLOW RIGHTS AND ACCESS FEE**

The parties agree that AC retains the exclusive right to move effluent through the Decentralized System and retains the right to sell capacity credits up to the capacity of the Decentralized System. Utility will not accept any effluent from any party who has not been granted capacity credits from AC. Further AC retains the right at its expense to improve and expand the capacity of the Decentralized System for the purpose of selling capacity credits in the future.

#### **UTILITIES**

Developer agrees that the electricity, phone and gas service required for operation of the Decentralized System shall be in the Utility's name. AC shall pay all cost of bringing utilities as needed to install or operate the Decentralized System and shall pay the monthly service expense of utilities until the Decentralized System is conveyed to the Utility.

#### **DEVELOPER'S RESPONSIBILITIES WITHIN DEVELOPMENT**

Developer members will bear the cost of creating all associated collections lines, lift stations, force mains, etc. required to transmit the wastewater to the specified point of connection at the treatment facility. For each lot that is ultimately to be connected to the Decentralized System, upon which a building or structure is constructed, the Developer shall require of the builder of any such building or structure to install, or cause to be installed, at no expense to the Utility; (a) a watertight septic tank that is approved by the Utility, and the governmental authority having jurisdiction thereof, (b) a filter at the septic tank of a type that is approved by the Utility, and the governmental authority having jurisdiction thereof, (c) a sewer service out-fall line from the septic tank to the property line at the point of connection to the Decentralized System as designated in the Plans, (d) any pumps, controls or force mains required to discharge effluent from the structure to the septic tank and from the septic tank to the Decentralized System sewer lines, and (e) a lockable shut off valve on the property side of the water meter. Any approval of Utility hereunder shall not be unreasonably withheld or delayed.

#### **SALES CONTRACT ADDENDUMS**

The Developer will include as an addendum in each of the real estate sales contracts which are entered into from and after the date hereof, the following documents EXHIBITS "C", "D", "E", and "F" attached hereto and made a part hereof, to each purchaser of a vacant lot or property to be built on and ultimately connected to the Decentralized System, with the provision that the terms of each document shall survive closing.

### **WARRANTY LANGUAGE IN CONTRACTS**

AC and Developer shall include or cause to be included the substance of the warranty language set forth in EXHIBIT "G" attached hereto and made a part hereof, into any contract or sub-contract entered into after the date hereof involving any installation or component of the Cluster System which is the subject of this contract.

### **LIEN CERTIFICATION**

Upon the completion of the installation of the Decentralized System, the Contractor shall represent and warrant in writing to the Developer and/or AC and the Utility that the components of the Decentralized System installed by the Contractor has been paid for in full and that no liens or encumbrances remain for the installation, materials, labor or sub-contractors of said installation work. No discharge of any effluent into the Decentralized System shall occur until all labor and materials have been paid in full, each of the Design Engineer and Utility Engineer has certified the system to be complete, the appropriate governmental authorities having jurisdiction have issued final approvals, permits and certifications to operate the Decentralized System and the Utility has accepted the transfer of title to the Decentralized System.

### **NOTICES**

When a notice is to be sent to a party hereto it shall be sent via certified mail, return receipt requested, postage prepaid, with a facsimile copy transmitted to the below number, properly addressed to the party as set forth below unless the party has provided a written notice of a change of address:

**WHEN TO DEVELOPER:**

Mar-Car, LLC  
3330 Maxie Jones Road  
Springfield, TN 37172

**WHEN TO AC:**

Charles R. Hyatt  
Adenus Capacity  
849 Aviation Parkway  
Smyrna, TN 37167

**WHEN TO THE UTILITY:**

Tennessee Wastewater Systems, Inc.  
849 Aviation Parkway  
Smyrna, TN 37167  
FAX: (615) 220-7208

### **OBLIGATION TO OPERATE AND REPAIR**

In addition to any and all obligations imposed upon the Utility by any applicable governmental authority, including, but not limited to, the Tennessee Department of Environment and

Conservation, and the Tennessee Regulatory Authority, Utility covenants and agrees that, after the conveyance of the Decentralized System to the Utility as set forth below, to continuously, operate, repair and maintain the Decentralized System and all of its components.

#### **INSTALLATION IN RIGHT-OF-WAY**

Any installation of system components within the public right-of-way shall be submitted to and approved by the governmental authority having jurisdiction over the right-of-way, and any line or component of the Decentralized System to be located in an easement which is not a non-exclusive utility easement shall be submitted to and approved by the appropriate dominant and subservient tenancies of that easement.

#### **UTILITY FEE**

If a building or structure utilizing the Utility's sewer service is situated on the lot, an Owner Sewer Service Agreement is required to be entered into by such owner if discharge into the Decentralized System is required. Prior to this agreement, the Developer or his assignee will pay a Utility Fee for each commercial wastewater source. This fee will be calculated as follows:

\$1,000.00 from 0 to 1000 gallons per day and an additional \$0.25 for each gallon per day thereafter.

Example:

Total capacity from 57.14 capacity credits equals a flow of 17,143 gallons per day.

For the first 1000 gallons per day the fee is \$1,000.00

For 16,143 gallons per day x \$.25 the fee is \$ 4,035.75

Thus, the total utility fee is \$ 5,035.75

This fee will be paid directly to the Utility to cover administrative fees, legal fees, regulatory coordination fees, plan review fees, installation inspection fees for sewer mains and commercial services.

#### **OWNER SEWER SERVICE AGREEMENT**

Prior to discharging into the Decentralized System, a lot owner proposing to discharge in the Decentralized System, including the Developer or builder, must enter into a written Owner Sewer Service Agreement with the Utility setting forth the terms and conditions upon which the sewer service will be provided by the Utility. The Utility shall not be obligated to provide wastewater sewer service to an owner or tenant of an owner until an Owner Sewer Service Contract is entered into between the Utility and the particular owner or tenant. Once an Owner Sewer Service Contract is entered into between the Utility and the builder or consumer lot purchaser, the regular monthly or annual sewer service fee shall commence upon the first to occur of the Issuing of a Certificate of Occupancy by the appropriate governmental authority or the connection for permanent water service to the lot or parcel. Monthly or annual sewer service fees are based on the Tennessee Regulatory Authority Approved Rate Tariff (Exhibit H).

### **SYSTEM COMPONENTS ON LOT**

For each lot that is ultimately to be connected to the Decentralized System, upon which a building or structure is constructed, the Developer shall require of the builder of any such building or structure to install, or cause to be installed, at no expense to the Utility; (a) a watertight septic tank that is approved by the Utility, and the governmental authority having jurisdiction thereof, (b) a filter at the septic tank of a type that is approved by the Utility, and the governmental authority having jurisdiction thereof, (c) a sewer service out-fall line from the septic tank to the property line at the point of connection to the Decentralized System as designated in the Plans, (d) any pumps or force mains required to discharge effluent from the structure to the septic tank and from the septic tank to the Decentralized System sewer lines, and (e) a lockable shut off valve on the property side of the water meter. Any approval of Utility hereunder shall not be unreasonably withheld or delayed.

### **EASEMENTS**

By the execution of this Agreement, the Developer hereby represents and warrants that where the sewer lines and other components are not within the public right-of-way, non-exclusive utility easements with rights of ingress and egress will be provided seven and one-half feet (7.5 ft.) in width on each side of the center line of all sewer lines and other components installed in connection with the Decentralized System.

### **OTHER UTILITIES AND SETBACKS**

Sewer lines for the Decentralized System shall neither be located in such a manner as to interfere with any other utility installation or service nor shall the lines or easements be situated in such a manner as to affect any setback requirements.

### **CONDITIONS TO CONVEYANCE**

On the date on which AC and Developer are to convey or cause to be conveyed the Decentralized System, and the Collection System, to Utility, Utility shall establish to the satisfaction of ASG and Developer as well as their respective legal counsel the following:

1. Utility remains a certified on-site wastewater management entity with the Tennessee Regulatory Authority (TRA) on the date of conveyance;
2. Utility shall have provided to Developer a current copy of the certificate of economic viability to the TRA;
3. Utility shall provide to Developer the approved list of fees, expenses and charges (other than those set forth herein) which are to be charged to lot owners connecting to the Collection System; and
4. Utility shall provide the certificate of insurance required there under.

Failure to satisfy the conditions shall constitute a breach by Utility of this Agreement.

### **ENCUMBRANCES OF TITLE**

The parties agree that any encumbrances not herein excepted or assumed may be cleared at closing, however due to the requirement that an on-site wastewater management entity operate the system, such encumbrances may not cause a delay in closing beyond the date of first discharge into the Decentralized System. The Utility agrees to accept the conveyance of land subject to the following encumbrances provided they do not interfere with the management and operation of the

Decentralized System: ad valorem taxes, easements, restrictions, right-of-way, covenants, reservations and other matters which have been recorded or otherwise not owned by the conveyor.

#### **CLOSING AND POSSESSION**

The Closing at which the conveyance of the Decentralized System shall occur shall be held on such date, time of the day and at such location as shall be reasonably agreed upon by the parties hereto. Possession of the easements, components and personal property constituting a part of the Decentralized System shall be delivered to the Utility upon closing.

#### **RIGHTS AND REMEDIES**

Any rights and remedies provided to Developer, AC or Utility herein shall be in addition to and cumulative with all other rights and remedies provided to Developer or Utility at law or in equity. Notwithstanding anything contained herein to the contrary, specifically including, but not limited to, the Termination Provisions set forth in the immediately preceding paragraph, the exercise of any right or remedy hereunder including, the right to terminate this Agreement shall not preclude, limit, hinder, release or waive any right that Developer or Utility may have to seek redress for any damages or breaches of this Agreement by the other party hereto. Notwithstanding anything contained herein to the contrary, Developer's or Utility's rights and remedies to seek remedy for any breach hereof shall not be affected by the termination of this Agreement but shall survive the termination hereof indefinitely.

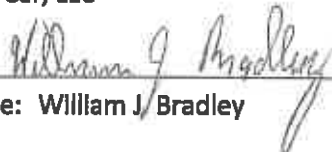
#### **GENERAL PROVISIONS**

- A. Should any provision of this Agreement be deemed unenforceable by a court of Competent Jurisdiction, that determination will not affect the enforceability of the Remaining portions.
- B. This Agreement shall be binding upon AC, Developer and the Utility, and their respective successors, permitted assigns, heirs, executors or administrators.
- C. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.
- D. The use of one gender shall include all other genders, the use of singular shall include the plural, and the use of the plural shall include the singular, all as may be appropriate to the context in which they are used.
- E. An executed photocopy or facsimile of this Agreement shall serve as an original for all purposes.
- F. In the closing of this transaction, the parties shall comply with all Foreign Investment in Real Property Tax Act (FIRPTA) and the regulations promulgated there under by the Internal Revenue Service.

IN WITNESS WHEREOF, the parties hereto have executed these presents and have entered into this Agreement as of the date first above written.

**THE DEVELOPER/OWNER:**


Mar-Car, LLC

By:   
Name: William J. Bradley

Title: Partner

**ADENUS CAPACITY, LLC:**

Adenus Capacity, LLC

By:   
Name: Charles R. Hyatt

Title: Chief Executive Officer


**THE UTILITY:**

Tennessee Wastewater Systems, Inc.

By:   
Name: Ron Hall

Title: Vice President of Operations

**ADENUS GROUP:**

By:   
Name: Joseph Silvia

Title: Sales Representative

**EXHIBIT "A"**

**The Property**

**See Legal Description Attached.**

**EXHIBIT "B"**

**The Treatment And Disposal Property**

See Legal Description Attached.



## EXHIBIT "C"

### Sewer System Addendum To Sales Contract

The parties to that certain Real Estate Sales and Purchase Agreement for the property situated at \_\_\_\_\_ and dated the \_\_\_\_ day of \_\_\_\_\_, between: \_\_\_\_\_ & \_\_\_\_\_, Sellers, and \_\_\_\_\_ & \_\_\_\_\_, Purchasers shall be subject to this Addendum.

Purchasers are hereby placed on notice that the subject property is served by a sanitary sewer system owned, operated and managed by Tennessee Wastewater Systems, Inc. The connection and discharge into the system requires a written contract between the property owner and Tennessee Wastewater Systems, Inc. The contract subjects the property owner to certain restrictions and regulations.

Rates are reviewed by the Tennessee Regulatory Authority, which must approve the rates and certify the Financial Viability of Tennessee Wastewater Systems, Inc. and the system is subject to the jurisdiction of the Tennessee Department of Environment and Conservation.

The property owner shall pay the Utility a service fee equal to \$\_\_\_\_\_ per year (herein referred to as the "Vacant Lot Fee") when the collection line is placed. The Vacant Lot Fee will be due and payable annually.

SELLERS:

\_\_\_\_\_

\_\_\_\_\_

PURCHASERS:

\_\_\_\_\_

\_\_\_\_\_

## EXHIBIT "D"

### Commercial Sewer Service Agreement

This agreement entered into between Tennessee Wastewater Systems Inc., a Tennessee Corporation, hereinafter called "TWSI" and \_\_\_\_\_, hereinafter called "customer".

#### WITNESSETH

Whereas, customer desires to purchase sewer services from TWSI and to enter into a sewer service agreement and TWSI desires to provide sewer services.

Now therefore, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows:

In compliance with laws and environmental regulations set forth by the state of Tennessee, TWSI shall provide sewer services to the customer's property located at the following address:

Facility Description: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

The customer agrees to grant to TWSI, its successors and assigns, a perpetual easement in, over, under and upon the above described land, with the right to erect, construct, install and maintain sewer system components.

The customer shall be responsible for operation and repair of the outfall line to the septic tank and all plumbing in structures on the property described above.

The customer agrees to follow the guidelines set forth in the USER MANUAL (Do's and Don'ts for Effluent Collection System, attached).

The customer agrees to furnish water meter readings to TWSI upon request.

TWSI shall be responsible for operation and repair of all components of the sewer system starting at the septic tank as described above and all elements of the STEG (septic tank effluent gravity) or STEP (septic tank effluent pumping) system.

The customer agrees to use the system and pay for sewer service in accordance with the authorized rules, regulations and rate schedules as approved by the Tennessee Regulatory Authority. The time and place of payment will be as set forth by TWSI. Based on the Design Daily Flow of \_\_\_\_\_ Gallons per day and the current TRA approved tariff rate (attached), the initial monthly fee will be \$\_\_\_\_\_.

TWSI shall purchase and install a cut-off valve and shall have exclusive right to use such valve.

The failure of the customer to pay sewer service charges duly imposed shall result in the imposition of the following penalties:

1. Payment after the due date will be subject to a penalty of five percent of the delinquent account.
2. Non-payment within thirty days from the due date will result in the sewer service being shut off from the customer's property, with no final notice being sent.
3. In the event it becomes necessary for TWSI to shut off the sewer service from the customer's property, a fee of \$10.00 will be charged for disconnection of the service.
4. Before the service can be reconnected, all charges must be paid, including a re-connection fee of \$15.00.
5. A \$20.00 service charge will be applied for any returned checks.

This agreement shall remain in effect for the duration of time that the customer owns the above described property.

IN WITNESS THEREOF, we have executed this agreement this

\_\_\_\_\_ day of \_\_\_\_\_, 2008.

Tennessee Wastewater Systems, Inc.

\_\_\_\_\_  
President

\_\_\_\_\_  
Customer

Monthly billing Address, if different:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Exhibit "E"**

**Commercial Customer Manual For Decentralized Wastewater Collection,  
Treatment And Disposal**

See Attached Manual

**Exhibit "F"**

**Residential Customer Manual For Decentralized Wastewater Collection,  
Treatment And Disposal**

See Attached Manual

## **EXHIBIT "G"**

### **Contractor Warranty Language**

The Contractor will immediately repair, or will immediately cause to be repaired, at its sole cost and expense, all equipment or structural failures, breaks, leaks or defects of any type whatsoever arising from any cause whatsoever occurring within twelve (12) months from the date said equipment, structures, lines, mains, valves, fittings, and other components of the Cluster System are accepted by the Utility, and that upon failure of the Contractor to take immediate steps to make such repairs, the Developer or the Utility is authorized to make such repairs or to have such repairs made all at the cost and expense of the Contractor.

Contractor shall guarantee and warrant to the Developer and the Utility that the work will be completed in accordance with industry standards and Contractor or its sub-contractor guarantee and warrant against defects in the quality of work and materials for a limited period of twelve (12) months from the date of its completion. Developer and Utility hereby acknowledge and agree that they understand that, unless otherwise set forth in a manufacturer's warranty, there is only a twelve (12) month warranty by Contractor on the work performed by Contractor or its sub-contractor. The parties understand that this twelve (12) month warranty period shall not in any way limit any manufacturer warranty on any materials and equipment incorporated in such construction pursuant to this Agreement. All warranties shall be assigned to and inure to the benefit of the Utility.

**EXHIBIT "H"**

**Approved Rate Tariff**

## EXHIBIT "I"

### Basis Of Design Wastewater Flow Rates From Various Commercial Sources In Gallons Per Day (GPD)

<u>Facility</u>	<u>Unit</u>	<u>Range (GPD)</u>	<u>Typical(GPD)</u>
Apartment House	Person	40 – 80	50
Service Station	Vehicle Served	8 –15	12
	Employee	9 – 15	13
Bar	Customer	1 – 5	3
	Employee	10 - 16	13
Hotel	Guest	40 – 60	50
	Employee	8 -13	10
Industrial Building (sanitary waste only)	Employee	7 – 16	13
Laundry (self service)	Machine	450 – 650	550
	Wash	45 – 55	50
Office	Employee	7 – 16	13
Restaurant	Meal	2 – 4	3
Conventional	Customer	8 – 10	9
Short Order	Customer	3 – 8	6
Bar/Cocktail Lounge	Customer	2 – 4	3
Shopping Center	Employee	7 - 13	10
Theater	Seat	2 – 4	3
Church/Assembly Hall	Seat	2 – 4	3
School, day only			
Cafeteria,gym,showers, etc			
	Student	15 – 30	25
Cafeteria only	Student	10 – 20	15
Without Cafeteria, gym or showers			
	Student	5 – 17	11



**EXAMPLE BASIS OF DESIGN CALCULATION:**

For a 50 room hotel with 2 employees using 100% double occupancy, the volume of sanitary wastewater generated would be calculated as follows:

50 rooms x 2 guests/room x 50 GPD/guest = 5,000 GPD

2 employees x 10 GPD/employee = 20 GPD

Total calculated flow for capacity determination = 5,020 GPD.

5,020 GPD/300 GPD/Sewer Capacity Credit = **16.73 Sewer Capacity Credits**