

VERIFICATION OF UTILITY VALUATION EXPERT

I, Harold Walker III, Manager of Financial Studies of Gannett Fleming, Inc. (“GANNETT”) GANNETT is a Utility Valuation Expert (“UVE”) in the Commonwealth of Pennsylvania approved by the Pennsylvania Public Utility Commission (Utility Code 9919244). In connection with the foregoing application, I hereby state the following:

1. Royersford Borough (“BOROUGH”) as seller selected Gannett Fleming, Inc. (“GANNETT”), a UVE in the Commonwealth of Pennsylvania approved by the Pennsylvania Public Utility Commission (Utility Code 9919244), to perform a fair market value appraisal of the System.
2. Pennsylvania-American Water Company (“PAWC”) as buyer selected AUS to perform a fair market value appraisal of the wastewater system and related assets (the “System”) of the BOROUGH.
3. As Manager of Financial Studies for GANNETT, I and my staff prepared a fair market value appraisal of the System on the BOROUGH’s behalf dated May 31, 2020 (the “Fair Market Value Appraisal”).
4. The facts set forth in the Fair Market Value Appraisal are true and correct to the best of my knowledge, information, and belief.
5. As Manager of Financial Studies for GANNETT, I and my staff determined the fair market value of the System in compliance with the most recent edition of the Uniform Standards of Professional Appraisal Practices as of the date of the Fair Market Appraisal, employing the cost, market and income approaches, as required by 66 Pa. C.S. § 1329(a)(3) and applied applicable jurisdictional exceptions to the Fair Market Appraisal.

6. Neither GANNETT nor I nor any GANNETT staff derived any material benefit from the sale of the System other than fees for services rendered.
7. Neither I nor any members of GANNETT staff are an immediate family member of a director, officer or employee of either PAWC or the BOROUGH within a 12-month period of the date BOROUGH engaged GANNETT to perform the Fair Market Value Appraisal.
8. GANNETT has no affiliation with either the BOROUGH or PAWC.
9. I make this verification subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



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