

**Application of Pennsylvania-American Water Company for the
Acquisition of the Water System Owned and Operated by
Indian Creek Valley Water Authority (“ICVWA”)**

Docket No. A-2025-3055741

66 Pa. C.S. § 1329

Application Filing Checklist – Water/Wastewater

24. Asset Purchase Agreement (APA).
- a. Provide a copy of the APA that is signed by all parties.

RESPONSE: a. See enclosed Asset Purchase Agreement between Indian Creek Valley Authority, as Seller, and Pennsylvania-American Water Company, as Buyer, dated May 30, 2025, attached as **Appendix A-24-a**. An Amendment to the enclosed APA that corrects a typographical error in Article 10, Section 10.4(a) Missing Easement Escrow, page 22, to correctly state “the sum of *Two* Thousand Dollars (\$2,000.00)” in lieu of “the sum of *One* Thousand Dollars (2,000.00)”, will be executed by PAWC and ICVWA and provided as a supplement to the Application.

ASSET PURCHASE AGREEMENT
BETWEEN INDIAN CREEK VALLEY WATER AUTHORITY
AND
PENNSYLVANIA-AMERICAN WATER COMPANY

MAY 30, 2025

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE Agreement (“**Agreement**”), dated as of the 30th day of May, 2025 (the “**Effective Date**”) by and among the INDIAN CREEK VALLEY WATER AUTHORITY, a municipal authority organized and existing under the laws of the Commonwealth of Pennsylvania, having a mailing address of P.O. Box 486, Indian Head, PA 15446, Pennsylvania (“**Seller**”), SALTICK TOWNSHIP, a political subdivision of the Commonwealth of Pennsylvania organized and existing under the Second Class Township Code, having a mailing address of P.O. Box 403, Melcroft, PA 15462 (“**Saltlick**”), SPRINGFIELD TOWNSHIP, a political subdivision of the Commonwealth of Pennsylvania organized and existing under the Second Class Township Code, having a mailing address of P.O. Box 13, Mill Run, PA 15464 (“**Springfield**”) (Saltlick and Springfield referred to herein collectively as the “**Creator Municipalities**”) and Pennsylvania-American Water Company, a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with a business address of 852 Wesley Drive, Mechanicsburg, PA 17055 (“**PAWC**”). In addition to the capitalized terms defined elsewhere in this Agreement, capitalized terms as used in this Agreement have the meanings set forth in **Appendix 1** unless otherwise specified herein.

RECITALS

A. Seller owns, maintains and operates a water system serving portions of Fayette and Westmoreland Counties, Pennsylvania, identified with the Pennsylvania Department of Environmental Protection (“**DEP**”) Public Water Supply ID No. PA5260011 (the “**Water Permit**”) (collectively, the “**System**”) that provides water service to various customers in Saltlick, Springfield, Bullsken, Connellsville, and Stewart Townships and Ohiopyle Borough in Fayette County; and Donegal Borough, and Donegal and Mount Pleasant Townships in Westmoreland County., as more fully set forth in the service area map on **Schedule 1.0**.

B. PAWC is a regulated public utility that furnishes water and wastewater services to the public in various counties throughout Pennsylvania, as reflected in PAWC’s duly-filed and effective tariffs, as may be amended from time to time upon application by the company or as ordered by the Pennsylvania Public Utility Commission (“**Tariff**”).

C. Seller desires to sell, and PAWC desires to purchase the System, as well as substantially all assets, properties and rights of Seller owned and used in connection with the System, upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the recitals and the covenants, representations, warranties and agreements herein contained, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE 1

THE TRANSACTION

1.1 **Sale and Purchase of Assets**. Subject to the terms, representations and conditions set forth in this Agreement, PAWC shall purchase from Seller, and Seller shall sell, assign, transfer, grant, convey and deliver to PAWC at Closing, the Assets. The Assets shall be sold free and clear of all mortgages, liens, pledges, security interests, charges, claims, restrictions and encumbrances of any and all nature (collectively, the “**Encumbrances**”).

1.2 Assets Further Defined.

The Assets shall, without limitation to the definition stated above, include the following:

- (a) the Assigned Contracts;
- (b) all interests in real estate (excepting streets), mains, pipes, pipelines, manholes, facilities, meters, tanks, wells, storage facilities, valves, water system network and related appurtenances, structures, improvements, fixtures, rights-of-way, rights, uses, franchises, licenses and easements owned by Seller and relating to the System, or in which Seller has an interest, and all hereditaments, tenements and appurtenances belonging, appertaining or relating thereto;
- (c) all machinery, equipment, tools, keys and locks, leasehold improvements, goods, and other tangible personal property relating to the System owned by Seller, or in which Seller has a possessory interest;
- (d) all rights of Seller under any written or oral contract, easement, license, agreement, lease, plan, instrument, registration, permit, certificate, or other authorization or approval of any nature, or other document, commitment, arrangement, undertaking, practice or authorization, relating to the System;
- (e) all rights and choses in action of Seller arising out of occurrences before or after the Closing relating to the Assets, including any rights of Seller under any warranties or insurance claims related to the Assets not paid before Closing; and
- (f) all information, files, records, data, plans, contracts and recorded knowledge relating to the Assets, including customer and supplier lists and property records, related to the foregoing, but excluding employment information, files, records, and data, which shall be transferred to the Creator Municipalities to be preserved for a minimum of seven (7) years and made available to PAWC upon written request therefor.

1.3 Retained Liabilities.

- (a) Except as explicitly provided in **Section 1.3(b)** below, PAWC shall not assume and shall not be liable for any liabilities or obligations of Seller of any nature whatsoever (including any obligations related to the Assets or operation of the System), whether express or implied, fixed or contingent, known or unknown at the time of Closing. Except as explicitly provided in **Section 1.3(b)** below, all of Seller's liabilities and obligations, whether incurred in connection with the operation of the System, ownership of the Assets or otherwise, shall remain the sole responsibility of, and shall be retained, paid, performed and discharged solely by Seller. Without limiting the foregoing, Seller shall be and shall remain liable for all obligations and liabilities existing or accruing on or before the Closing Date relating to (i) employees of Seller (including those who worked on the System) and any employee benefits related thereto (including any pension benefits), (ii) all taxes on the business of Seller, (iii) accounts payable of Seller, and (iv) failure to comply with any Environmental Laws or any Permits for the Assets or operation of the System on or before the Closing Date.
- (b) Following the Closing, PAWC shall assume only those contractual liabilities arising after the Closing Date under the Assigned Contracts (specifically excluding any liability under the Assigned Contracts arising out of or relating to a breach or other circumstances that occurred on or prior to the Closing Date).

1.4 Excluded Assets. Notwithstanding anything to the contrary contained in this Agreement, the Assets shall not include any of the following (the “**Excluded Assets**”):

- (a) Any and all piping and fixtures internal to each individual customer’s structure (whether residential, commercial, industrial or other types);
- (b) Seller’s cash on hand on the date of Closing and Seller’s account receivables related to the System for services rendered through the close of business on the Closing Date;
- (c) All rights of Seller under this Agreement and related Bill of Sale and Assignment of Contracts Agreement as it pertains to the transfer and sale herein contemplated; and
- (d) The specific assets, properties and rights of Seller set forth on **Schedule 1.4**.

1.5 Accounts Receivable. Accounts receivable for water services related to the System rendered through the close of business on the Closing Date shall be Excluded Assets as per **Schedule 1.4**, and accounts receivable for water services related to the System rendered thereafter shall belong to PAWC.

ARTICLE 2

PURCHASE PRICE

2.1 Purchase Price for the Assets. Subject to the terms and conditions of this Agreement, the purchase price (the “**Purchase Price**”) for the Assets shall be Thirty-Two Million Eight Hundred Thousand and 00/100 Dollars (\$32,800,000.00). The Purchase Price shall be payable directly to Seller on the Closing Date by wire transfer or by corporate check, at Seller’s discretion.

2.2 Use of Fair Market Valuation Process. Following the execution of this Agreement, PAWC and Seller shall each take such actions as are necessary to invoke, commence and complete the fair market valuation process set forth in Section 1329 of the Public Utility Code, 66 Pa.C.S. § 1329. Without limiting the generality of the foregoing, PAWC and Seller shall each engage a utility valuation expert from the list of such experts maintained by the PUC and shall jointly select and engage a licensed engineer for the purposes set forth in Section 1329(a)(4) of the Public Utility Code, 66 Pa.C.S. § 1329(a)(4). All costs and expenses associated with the utility valuation experts shall be the responsibility of the party engaging such expert. All costs and expenses associated with the licensed engineer jointly selected by the parties shall be shared equally between PAWC and Seller. Seller agrees to provide such assistance and cooperation as is reasonably requested by PAWC to file and prosecute an application for approval of the transaction contemplated by this Agreement.

2.3 Purchase Price Adjustments. Any payments made in advance by Seller’s water customers for post-Closing service will be apportioned at Closing. At Closing, PAWC shall receive a credit toward the Purchase Price in **Section 2.1** for the prorated amount of such advance payments for the service periods of such customer payments that are intended to follow Closing.

2.4 Payment of Outstanding Debt. At Closing, the proceeds of the Purchase Price shall be first used to pay and discharge in full the total amount of all outstanding indebtedness of Seller as set forth in **Schedule 2.4** (the “**Outstanding Indebtedness**”) and Seller shall take all actions necessary to defease any and all bonds or other instruments related to such Outstanding Indebtedness.

ARTICLE 3

THE CLOSING

3.1 Closing. Subject to the terms and conditions of this Agreement, the closing of the sale and purchase of the Assets (“**Closing**”) shall take place at the offices of counsel for the Authority or such other mutually agreed upon location, commencing within thirty (30) days following the date on which all of the conditions set forth in **ARTICLE 6** and **ARTICLE 7** of this Agreement have been met (or waived). The date of the Closing is referred to herein as the “**Closing Date**”.

(a) Deliveries and Proceedings at Closing. Subject to the terms and conditions of this Agreement, at the Closing, Seller shall deliver or cause to be delivered to PAWC:

(i) Bills of Sale and instruments of assignment duly executed by Seller as necessary to transfer all of the Assets to PAWC, including an assignment of contracts agreement covering the assignment and assumption of the Assigned Contracts in substantially the form of **Exhibit A** (“**Assignment of Contracts Agreement**”);

(ii) A copy of each permit, license, easement, land-right and other necessary authority for the operation of the System and the Assets, in each case validly issued in the name of Seller, and showing in full force and effect;

(iii) The consents to transfer all Assigned Contracts, leases, intellectual property, Permits and other Assets requiring such consents to be transferred to PAWC;

(iv) All written consents (of third parties or otherwise) and governmental approvals necessary to ensure that PAWC will continue to have the same full rights with respect to the Assets that Seller had immediately prior to the Closing;

(v) Evidence reasonably satisfactory to PAWC of the transfer of all utilities with respect to the System from Seller to PAWC in accordance with **Section 6.1(b)** below;

(vi) One or more special warranty deeds of conveyance of the real estate and easements to PAWC, duly executed and acknowledged by Seller and in recordable form, each sufficient to convey the title and rights of access to the Assets;

(vii) Such other deeds, bills of sale, assignments, certificates of title, documents and other instruments of transfer and conveyance as may reasonably be requested by PAWC, each in form and substance reasonably satisfactory to PAWC;

(viii) Certified copies of all ordinances and all resolutions duly adopted by Seller authorizing the execution, delivery and performance of this Agreement and all related agreements and the transactions contemplated hereby and thereby;

(ix) As applicable, a payoff letter from each lender (whether institutional or otherwise) from which Seller has incurred indebtedness or borrowed money that is outstanding, and a release of all Encumbrances relating to the Assets (along with Form UCC3 Financing Statements effectuating a termination of all outstanding financing statements covering the Assets) executed, filed and/or recorded by

the holder of or parties to each such Encumbrance, if any, in each case in substance and form reasonably satisfactory to PAWC and its counsel;

(x) The certificates and other documents required to be delivered by Seller under this Agreement as set forth in **Schedule 3.1(a)** hereof;

(xi) The Opinion of Seller's Counsel as set forth in **Exhibit C** hereof;

(xii) The Escrow Agreement, duly executed by Seller and Escrow Agent;
and

(xiii) All such other agreements, documents and instruments of conveyance required by this Agreement or as shall, in the reasonable opinion of PAWC and its counsel, be necessary to transfer the Assets to PAWC in accordance with this Agreement, and where necessary, in recordable form.

(b) Subject to the terms and conditions of this Agreement, at the Closing, PAWC shall deliver or cause to be delivered to Seller:

(i) The Purchase Price;

(ii) Certified copies of the resolutions duly adopted by PAWC's Board of Directors authorizing the execution, delivery and performance of this Agreement (the "**Resolutions**"); and

(iii) The certificates and other documents required to be delivered by PAWC under this Agreement as set forth in **Schedule 3.2(b)** hereof.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF SELLER

4.1 **Seller's Representations.** Seller hereby represents and warrants to PAWC as follows:

(a) **Organization; Legal Authority.** Seller is a duly organized municipality authority of the Commonwealth of Pennsylvania, validly existing, solvent, and in good standing under the laws of the Commonwealth of Pennsylvania, and Seller has the full power and lawful authority to transfer to PAWC the rights, title and interest in and to the Assets.

(b) **Assets Ownership.** Seller has clear, good, and marketable right and title to, or a valid leasehold interest in, all of the assets, property and facilities comprising the Assets, free and clear of all Encumbrances. **Schedule 4.1(b)** lists all Assets that are subject to a leasehold interest (i.e., not owned by Seller). None of the Assets are leased or on loan by Seller to any third party. The Assets constitute all of the assets, property and facilities that, together with the rights granted or conveyed under the transaction documents, are necessary for the operation of the System, the business thereof, and the Assets as conducted as of the date hereof. Upon the Closing, PAWC shall continue to be vested with good title or a valid leasehold interest in the System and all of the Assets.

(c) **Financial Statements.** Seller's Financial Statements that have been made available to PAWC by Seller and have been prepared by Seller in accordance with GAAP (subject in the case of the Unaudited Financial Statements to normal year-end adjustments and the absence of footnotes). The Financial

Statements were prepared from the books and records of Seller, are true, correct and complete and present fairly in all material respects the financial condition, operating results and cash flows of Seller as of the dates and during the periods indicated therein (subject in the case of the Unaudited Financial Statements to normal year-end adjustments and the absence of footnotes).

(d) Due Authorization; Valid and Binding; No Encumbrances. Seller has the full power and lawful authority to enter into this Agreement and all related agreements and to consummate and perform the transactions contemplated hereby and thereby. Seller has duly and validly authorized the execution and delivery of this Agreement (which has been duly executed and delivered) and all related documents and agreements to which Seller is a party by all necessary proceedings, and this Agreement and all related documents and agreements constitute the valid and binding obligations of Seller enforceable against it in accordance with its terms. No filings or registrations with, notifications to, or authorizations, consents or approvals of, a Governmental Authority or third party are required to be obtained or made by Seller in connection with the execution, delivery or performance by Seller of this Agreement, all related agreements, or the consummation by Seller of the transactions contemplated herein or therein. Neither the contemplated transactions, nor this Agreement will result in the creation of any Encumbrance against any of the Assets.

(e) Current Operations. Seller has all requisite power and authority and all agreements, contracts, commitments, leases, certificates, licenses, Permits, regulatory authorizations and other instruments required to conduct the operations of the System as it has been and is now being conducted and to own and operate the Assets. Seller is not subject to any collective bargaining agreements.

(f) No Approvals or Violations. This Agreement does not require any further approvals of any other party, does not violate any law, ordinance or regulation, does not conflict with any order or decree, and does not conflict with or result in a breach of any contract, lease or Permit to which Seller is a party or is otherwise bound or affected, or by which the Assets may be bound or affected. The execution and delivery of this Agreement and all related documents and agreements, and the consummation of the transactions contemplated hereby and thereby, do not violate, conflict with or result in the breach of any term, condition or provision of Seller's articles of incorporation, bylaws or other governing documents, or any instrument, contract, lease, agreement, Permit, certificate or other document to which Seller is a party or is otherwise bound or affected, or by which the Assets may be bound or affected.

(g) Accounts Receivable. All accounts receivable being retained by Seller under **Section 1.5** (whether billed or unbilled) (collectively, the "**Retained Accounts Receivable**"), are valid, genuine and existing and arose (or will have arisen on or prior to Closing) from bona fide sales of products or services actually made in the ordinary course of business on or prior to the Closing Date. All products and services with regard to the Retained Accounts Receivable have been provided by Seller (and no further obligations exist), and no offset, agreement for deduction, free goods, discount or deferred price or quantity adjustment has been made with respect to any Retained Accounts Receivable (or with respect to PAWC's accounts receivable for the period after Closing).

(h) Free Service; Customer List; Prepayments. Except as set forth in Schedule 4.1(h), Seller has not entered into any agreements or other understandings for the provision of free or otherwise subsidized or discounted services to any parties. The data contained in the customer records provided to PAWC under **Section 6.1(i)** is true and accurate in all material respects to the knowledge of Seller. Except as set forth in **Schedule 4.1(h)**, Seller has not received payments made in advance by any third party (including Seller's water customers) for future service (including service after the Closing) with regard to the System or the Assets.

(i) Seller Outstanding Indebtedness; Undisclosed Liabilities. **Schedule 2.4** contains a complete and accurate listing of all outstanding bonds, loans or other indebtedness of Seller. Except as set forth in **Schedule 2.4** and **Schedule 4.1(i)**, there are no material liabilities or obligations of Seller, either accrued, absolute, liquidated or unliquidated, contingent or otherwise, relating to the Assets that would be required to be set forth on a balance sheet prepared under GAAP as applicable to municipal authorities, other than liabilities incurred in the ordinary course. There is no basis for any claim against Seller, the System or any of the Assets for any such liability or obligation, and there is no basis for any such liability or obligation to become the liability or obligation of PAWC from and after the Closing.

(j) Condition of Assets. To Seller's actual and imputed knowledge, all the tangible property included within the Assets is in good operating condition and repair, is usable in the regular course of business and conforms to all Applicable Laws, ordinances, codes, Permits, rules and regulations relating to their construction, use and operation, and is free from any defects except such defects as do not materially interfere with the continued use thereof in the conduct of the System's operations.

(k) Contracts. **Schedule 4.1(k)** contains a true, complete and accurate list of all agreements (including all verbal agreements and intermunicipal agreements), contracts, leases (including any leasehold interests constituting part of the Assets as described in **Section 4.1(b)**), licenses, commitments, arrangements and instruments related to the Assets to which Seller is a party or the Assets are otherwise subject or bound, along with all amendments and addenda related thereto (collectively, the "**Contracts**"). **Schedule 4.1(k)** also identifies with an asterisk any Contract which requires consent to, or prohibits, assignment of the Contract. All Contracts are in full force and effect and are valid and enforceable in accordance with their terms, and the parties thereto are in material compliance with the provisions thereof, and there exists no event or condition which with the giving of notice or lapse of time, or both, would constitute a default thereunder. Seller has received, or will receive prior to the Closing, the written consent of each party to the Assigned Contracts designated on **Schedule 4.1(k)** as requiring consent to the assignment, or otherwise complied with Seller's obligations under **Section 6.1(b)** hereof. Seller has delivered to PAWC correct and complete copies of those Contracts requested by PAWC, as well as copies of the requisite assignments for each of the Assigned Contracts which effectuates the transfer of the Assigned Contracts to PAWC as of the Closing Date. Except as disclosed on **Schedule 4.1(k)(i)**, Seller is not a party to any contract or subject to any arrangement for future payment of refunds under any extension agreement, customer deposit agreement or similar arrangement (including any prepaid tap fee) with respect to the Assets or the System.

(l) Adequacy of Property Rights; Real Property and Easements.

(i) Except as set forth in **Schedule 4.1(l)(i)**, Seller possesses all property rights necessary to operate the Assets, and Seller owns and has good and marketable title to the real property, free and clear of all options, leases, covenants, conditions, easements, agreements, claims, and other encumbrances of every kind, and there exists no restriction on the use or transfer of such property. As it relates to the Assets, **Schedule 4.1(l)(i)** contains a complete and accurate list of the real property owned by Seller and a complete and accurate list of each lease of real property to which Seller is a party (as the lessor, lessee or otherwise). Seller's current use and occupancy of the real property and its operation of the System thereon does not violate any easement, covenant, condition, restriction or similar provision in any instrument of record or other unrecorded agreement affecting such real property. All leases, licenses, rights of way, and easements related in any manner to the assets and properties comprising the Assets and all other instruments, documents and agreements pursuant to which Seller has obtained the right to use any real property in connection with the Assets are in good standing, valid and effective in accordance with their respective terms, and with respect

thereto, there is no existing material default or event that could constitute a material default. The real property is properly classified, as either a permitted use, approved special exception, or lawfully existing non-conforming use, under applicable zoning laws, ordinances, and regulations for the current and continued operation of the System on the real property. No proceeding that could adversely affect the zoning classification of the real property is pending or threatened. Subject to any applicable laws, including, without limitation, zoning requirements, at and after the Closing, PAWC shall have the right to maintain and use the real property, including the space, facilities and appurtenances outside of building lines, whether on, over or under the ground, and to conduct such activities thereon as maintained, used or conducted by Seller on the date hereof, and such right is not subject to revocation. Seller has made available to PAWC copies of all title reports, surveys, title policies and appraisals relating to the real property in the possession of Seller.

(ii) Set forth on **Schedule 4.1(I)(ii)** hereto is a true, correct and complete list of all easements and rights of way relating to the real property and the Assets. All of such easements and rights of way are valid and will be transferred to PAWC and remain in full force as of the Closing and thereafter. Seller has not received any notice of violation of any easements, covenants, restrictions or similar instruments and, to the knowledge of Seller, there is no basis for the issuance of any such notice or the taking of any action for such violation. At and after the Closing, PAWC shall have all rights, easements and agreements necessary for the use and maintenance of water, sewer or other utility pipelines, poles, wires, conduits or other like facilities, and appurtenances thereto, over, across and under the real property.

(iii) There are no outstanding options, rights of first refusal or rights of first offer to purchase any of the real property or any portion thereof or interest therein, except as otherwise set forth on **Schedule 4.1(I)(iii)**.

(iv) To the knowledge of Seller, all improvements located on, and the use presently being made of, the real property comply with all applicable zoning and building codes, ordinances and regulations and all applicable fire, environmental, occupational safety and health standards and similar standards established by Applicable Law, and the same use thereof by PAWC following Closing will not result in any violation of any such code, ordinance, regulation or standard. To the knowledge of Seller, no improvements encroach on any land that is not included in the real property or on any easements affecting such real property, or violate any building lines or set-back lines, and there are no encroachments onto the real property, or any portion thereof, that would interfere with the use or occupancy of such real property or the continued operation of the System as currently conducted.

(v) There is no unpaid tax, levy or assessment against the real property (except for encumbrances relating to assessments not yet due and payable), nor is there pending or threatened any condemnation proceeding against the real property or any portion thereof. **Schedule 4.1(I)(v)** contains a list of all impending taxes, levies and assessments that are currently assessed and due and owing after the Closing Date.

(vi) Except as set forth in **Schedule 4.1(I)(vi)**, to the knowledge of Seller, there is no condition affecting the real property or the improvements located thereon that requires repair or correction to restore the same to reasonable operating condition.

(vii) Notwithstanding the foregoing, if and to the extent Seller or PAWC determines that Seller is missing or unable to locate the recording information for any easements or rights of way relating to the Assets and is unable to locate or obtain a new easement for the same (each a “**Missing Easement**”, and collectively, the “**Missing Easements**”), Seller covenants and agrees that it shall use its

commercially reasonable and diligent efforts to obtain all of the Missing Easements as promptly as reasonably possible after the Closing. For the avoidance of doubt, Seller acknowledges and agrees that it will establish and maintain the Missing Easement Escrow for any Missing Easements that have not been obtained prior to Closing on the terms and conditions set forth in **Section 10.4** of this Agreement.

(m) Litigation. Except as disclosed on **Schedule 4.1(m)**, there is no action, suit, claim or litigation, arbitration, proceeding, judgment, injunction, audit or legal, administrative or governmental investigation pending (including any citations, notices, summons or orders), and none are known to be threatened against, pertaining to or affecting the System or any of the Assets (including any such actions, litigation and other claims against Seller) before any court, arbitrator or Governmental Authority (including any governmental agency board or instrumentality), nor is there any order, writ, injunction or decree of any court, arbitrator or Governmental Authority, in existence against, pertaining to or affecting Seller (including its commissioners, directors or officers), the System or any of the Assets. Except as noted in **Schedule 4.1(m)**, all matters disclosed in **Schedule 4.1(m)** are fully covered by Seller's insurance. There are no known laws, ordinances, regulations or official orders now in effect or pending that could reasonably be expected to have a material adverse effect on the System or the ownership, condition or operation of the System or the Assets. There are no actions, suits, claims, proceedings or investigations pending or, to the knowledge of Seller, threatened against Seller, and Seller is not subject to any outstanding judgment, order or decree of any court or governmental body, which would in either case, reasonably be expected to prevent or materially interfere with or delay Seller's ability to perform its obligations under this Agreement.

(n) Tax Matters.

(i) Seller has timely and properly filed all tax returns that it was required to file. All such tax returns were complete and correct in all material respects and were prepared in compliance with all Applicable Laws. All taxes owed by Seller have been paid. Seller is not the beneficiary of any extensions of time within which to file any tax return. There are no Encumbrances on any of the Assets that arose in connection with any failure (or alleged failure) to pay any tax.

(ii) As of the Closing Date, Seller will have withheld and paid all taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, supplier, vendor, creditor, or other third party. As of the Closing Date, Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.

(iii) There are no audits or examinations of any tax returns pending or threatened that relate to Seller's operation of the System or the Assets. Seller is not a party to any action or proceeding by any Governmental Authority for the assessment or collection of taxes relating to the operation of the System, nor has such event been asserted or threatened. There is no waiver or tolling of any statute of limitations in effect with respect to any tax returns relating to Seller's operation of the System or the Assets.

(o) No Material Adverse Conditions; Insurance. To the knowledge of Seller, there are no facts, circumstances or conditions existing or threatened that would have, or would be reasonably be expected to have, a material adverse effect on the condition, properties, assets, indebtedness, liabilities, commitments, operations or prospects of the System or the Assets. Seller maintains and has maintained appropriate insurance necessary for the full protection of all of the Assets, the System, and all related operations, products and services. All such policies are in full force and effect and Seller will use commercially reasonable efforts to cause such policies to be outstanding and in full force and effect as of Closing and immediately following the execution of this Agreement and the consummation of the contemplated transactions. There are no

pending claims or proceedings arising out of, based upon or with respect to any of such policies of insurance and, to Seller's knowledge, no basis for any such claims or proceedings exists. Seller is not in default with respect to any provisions contained in any such insurance policies, and no insurance provider is in default with respect to such insurance policies.

(p) Compliance with Law. Except as disclosed on **Schedule 4.1(p)** and to the knowledge of Seller, Seller is and has been in material compliance with all laws, ordinances, and governmental rules and regulations, whether civil or criminal, of any federal, state, local or foreign Governmental Authority applicable to the operation of the System and the Assets, including Environmental Laws and employee labor, pension and benefits laws, to which Seller, the System or the Assets are subject, and has not failed to obtain, or to adhere to the requirements of, any certificate, license, Permit or other governmental authorization necessary for the operation of the System and the Assets, nor has Seller committed any violation of law or any provision of its governing documents applicable to the System or the Assets. Except as disclosed on **Schedule 4.1(p)**, Seller has not received, and has no reason to believe that it will receive, notice of any violation of law.

(q) Adequacy of Permits. Set forth in **Schedule 4.1(q)** is a complete and correct list of all permits, licenses, registrations, approvals and other authorizations (collectively, the "**Permits**") used by Seller in the continuing ownership, use, operation and maintenance of the System and for the Assets. Such Permits constitute all those necessary for the continuing ownership, use, operation and maintenance of the System and for the Assets, all such Permits are in full force and effect, and no such Permit is subject to any appeal or other administrative or judicial proceeding. No fact or circumstance exists that is reasonably likely to cause any such Permit to be revoked, suspended or materially altered subsequent to the execution of this Agreement and the Closing Date, and neither the execution of this Agreement, nor the Closing do or will constitute or result in a default under or violation of any such Permit. Seller likewise has obtained and continues to possess all Permits required under, by or pursuant to Environmental Laws, has filed such timely and complete renewal applications as may be required prior to the Closing Date, and also has complied with all reporting and record keeping requirements under Environmental Laws. Such Permits shall be issued prior to Closing in a form and with terms and conditions that are reasonably satisfactory to PAWC.

(r) Environmental Matters.

(i) To the best of Seller's knowledge and except as disclosed to PAWC in **Schedule 4.1(r)(i)**, there are no past or present events, conditions, circumstances, activities, practices, incidents, actions or plans pertaining or relating to the Assets or the System that may materially impede or prevent compliance with Environmental Laws, and Seller is in full compliance with and is not in violation of or liable under any applicable Environmental Law. Seller has no basis to expect, nor has it received any actual or threatened order, notice or other communication from any Governmental Authority or other person of any actual or potential violation or failure to comply with any Environmental Law or of any actual or threatened obligation to undertake or bear the cost of any environmental, health and safety liabilities with respect to real property or any other properties or assets (whether real, personal or mixed) in which Seller has or has had an interest or with respect to the real property or any other real property at or to which hazardous materials were generated, manufactured, refined, transferred, imported, used or processed by Seller or any other person for whose conduct it is or may be held responsible, or from which hazardous materials have been transported, treated, stored, handled, transferred, disposed, recycled or received.

(ii) To the knowledge of Seller, there are no pending or threatened claims, encumbrances or other restrictions of any nature, resulting from any environmental, health and safety liabilities or arising under or pursuant to any Environmental Law with respect to or affecting Seller's real property or

any other properties and assets (whether real, personal or mixed) in which Seller has or had an interest. Neither Seller nor any other person for whose conduct it is or may be held to be responsible has any material environmental, health and safety liabilities with respect to Seller's real property or with respect to any other properties and assets (whether real, personal or mixed) in which Seller (or any predecessor) has or has had an interest.

(iii) There are no hazardous materials, except those used in connection with the ordinary course operation of the System in accordance with all Environmental Laws, present on or in the environment at the real property, including any hazardous materials contained in barrels, above or underground storage tanks, landfills, land deposits, dumps, equipment (whether moveable or fixed) or other containers, either temporary or permanent and deposited or located in land, water, sumps or any other part of the real property or incorporated into any structure therein or thereon. Neither Seller, nor any other person for whose conduct it is or may be held to be responsible has permitted or conducted, or is aware of, any hazardous activity conducted with respect to the real property or any other properties or assets (whether real, personal or mixed) in which Seller has or has had an interest except in material compliance with all applicable Environmental Laws. There has been no release or threat of release, of any hazardous materials at or from the real property or from or by any other properties and assets (whether real, personal or mixed) in which Seller has or has had an interest (e.g., other properties that may impact or affect the Assets or the System), whether by Seller or any other person.

(iv) Except as set forth in **Schedule 4.1(r)(iv)**, none of the following exists at the System or on the real property that is part of the Assets: (1) underground storage tanks; (2) asbestos-containing material in any form; (3) materials or equipment containing polychlorinated biphenyl; (4) groundwater monitoring wells; or (5) landfills, surface impoundments, or disposal areas.

(v) Seller has delivered to PAWC true and complete copies and results of any reports, studies, analyses, tests or monitoring possessed or initiated by Seller or its predecessors pertaining to hazardous materials or hazardous activities in, on or under the real property, or concerning compliance by Seller, its predecessors, or any other person for whose conduct Seller is or may be held to be responsible, with Environmental Laws, said reports, studies, analyses, tests and monitoring to include without limitation, any and all Phase I environmental reports now or hereafter in the possession or control of Seller.

(vi) Seller has been and is in compliance with all administrative and judicial orders, consent orders, decrees, consent decrees, judgments, directives and notices of violation issued by any Governmental Authority concerning or related to the Assets under or in connection with any applicable Environmental Laws.

(s) **Brokers.** Seller has not employed any investment banker, broker or finder or incurred any liability for any investment banking fees, brokerage fees, commissions or finders' fees or any similar other fees or commissions in connection with the transactions contemplated by this Agreement for which PAWC has or could have any liability.

(t) **Customer Advances.** Set forth in **Schedule 4.1(t)** is a complete and accurate list of all unexpired customer advances for construction held by Seller as of the date of this Agreement and extension deposit agreements (or similar agreements) to which Seller is a party (each an "**Extension Deposit Agreement**"), and which contain unexpired obligations of Seller to provide for the payment of periodic refunds to parties making advances for the construction of facilities for water service. Seller will provide to PAWC within fifteen (15) days of the execution of this Agreement (to be updated at Closing), accurate and

complete copies of each such customer advances and Extension Deposit Agreement. All records of Seller relating to each Extension Deposit Agreement are complete and accurate in all material respects and, together with the relevant Extension Deposit Agreement, represents all the information reasonably required to determine Seller's obligations to each party to the Extension Deposit Agreements; and there are no disputes or disagreements with any party to an Extension Deposit Agreement relating to the amount due under that agreement or the method of calculating that amount. **Schedule 4.1(u)** may be updated at Closing only with the mutual consent of the parties.

(u) Service Area Map. The map contained in **Schedule 1.0** accurately and completely describes the area served by the System. Seller has not entered into any agreements or commitments to provide, whether on a retail or wholesale basis, water conveyance or treatment services currently or in the future to any customers, sources or area outside of the service area depicted in **Schedule 1.0**.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF PAWC

5.1 PAWC's Representations. PAWC hereby represents and warrants to Seller as follows:

(a) Organization. PAWC is a corporation duly organized, validly existing and subsisting under the laws of the Commonwealth of Pennsylvania.

(b) Due Authorization; Valid and Binding. PAWC has the full power and lawful authority to execute this Agreement and, following approval by its Board of Directors, to consummate and perform the transactions contemplated hereby, and PAWC has duly and validly authorized the execution of this Agreement by all necessary proceedings. This Agreement constitutes the valid and binding obligations of PAWC.

(c) Assigned Contracts. PAWC has identified on **Schedule 5.1(c)** those Contracts which PAWC has agreed to assume ("**Assigned Contracts**"), subject to receiving all necessary consents to assignment in accordance with the terms of **Section 9.1(g)**. PAWC may update **Schedule 5.1(c)** between the date hereof and up to twenty (20) days before Closing to include any of the Contracts.

(d) Financial Wherewithal. PAWC has sufficient funds on hand to pay the amounts due pursuant to this Agreement.

(e) Absence of Litigation. There are no actions, suits, proceedings or investigations pending or, to the knowledge of PAWC, threatened against PAWC, and PAWC is not subject to any outstanding judgment, order or decree of any court or governmental body, which would in either case, reasonably be expected to prevent or materially interfere with or delay PAWC's ability to perform its obligations under this Agreement.

(f) Brokers. PAWC has not employed any investment banker, broker or finder or incurred any liability for any investment banking fees, brokerage fees, commissions or finders' fees or any similar other fees or commissions in connection with the transactions contemplated by this Agreement for which Seller has or could have any liability.

ARTICLE 6

COVENANTS

6.1 Covenants of Seller. From and after the date of this Agreement, Seller covenants and agrees that:

(a) Conduct of Business. Between the date of this Agreement and the Closing Date, Seller shall carry on the operation of the System, the business and the Assets in the ordinary course of business and in compliance with law, not introduce any materially new method of management or operation, use reasonable best efforts to preserve the System, the business and the Assets, conserve the goodwill and relationships of its customers, suppliers, Governmental Authorities and others having business relations with it, maintain in full force and effect all policies of insurance now in effect for the benefit of Seller, maintain supplies at a level that is sufficient to operate the System in accordance with past practice and maintain the Assets in substantially the condition currently existing, normal wear and tear excepted. Without limiting the foregoing, Seller shall not sell, lease, dispose, retire, distribute or encumber any of the Assets, or construct, purchase or acquire any new assets, properties or rights relating to the System or Assets, or enter into a commitment or contract to do any of the foregoing (other than the purchase and use of supplies and maintenance of the System and the Assets in the ordinary course of business), without the prior written consent of PAWC.

(b) Contracts and Commitments. Except normal and usual commitments for the purchase of materials and supplies consistent with past practice, no contract or commitment shall be entered into by or on behalf of Seller relating to the System or the Assets that would place an Encumbrance thereon or materially affect the operation of the System, the business or the Assets after Closing, except for those commitments approved or ratified in writing by PAWC. Seller shall use reasonable commercial efforts to obtain, prior to Closing, the written consent of each party to the Assigned Contracts designated on **Schedule 4.1(k)** as requiring consent to the assignment. Notwithstanding any other provision of this Agreement, to the extent that any consent necessary for the assignment from Seller to PAWC of the Assigned Contracts is not obtained, or cannot be obtained, prior to the Closing Date, Seller shall use its commercially reasonable efforts to secure an arrangement reasonably satisfactory to PAWC intended to provide for PAWC following the Closing all of the material benefits of Seller under such Assigned Contracts; provided that nothing in this **Section 6.1(b)** shall constitute a waiver of the condition set forth in **Section 9.1(g)**; and provided, further, that PAWC shall not be obligated to assume, and shall not be liable under, any Assigned Contract for which Seller has not obtained all necessary consents, or otherwise secured an alternative arrangement satisfactory to PAWC (in its sole discretion) as provided above. Seller shall transfer all of the utilities used or necessary for the System from Seller to PAWC effective as of the Closing Date, and Seller shall be responsible to pay all bills and fees for these utilities for the period prior to and including the Closing Date. PAWC shall provide any necessary information reasonably required by Seller to effectuate this transfer.

(c) Release of Encumbrances. Seller shall take all action necessary to cause the release, cancellation and discharge of any and all Encumbrances, so that as of the Closing Date, the Assets will be free and clear of any and all such Encumbrances. Seller also agrees not to create any new Encumbrances on the System or Assets from and after the date of this Agreement without the prior written consent of PAWC.

(d) Material Events and Circumstances. Seller shall promptly inform PAWC in writing of any specific event or circumstance of which Seller is aware, or of which Seller receives notice, that has or is reasonably likely to have, individually or in the aggregate, taken together with the other events or circumstances, a material adverse effect on the System or the Assets.

(e) Supplemental Information.

(i) Seller shall provide PAWC, within fifteen (15) days of execution or the date of receipt thereof, a copy of (a) each of the Contracts entered into by Seller after the date hereof and prior to Closing relating to the System or the Assets; (b) a copy of any written notice of assessments for public improvements against any of the Assets received after the date hereof and prior to Closing; (c) any writs of summons or complaints filed against Seller or its representatives for any and all claims relating to the System or the Assets; and (d) a copy of the filing of any condemnation, eminent domain or similar proceeding affecting all or any portion of the System or the Assets received after the date hereof, but prior to the Closing.

(ii) Seller shall notify PAWC within fifteen (15) days of the receipt of any notice of violation.

(f) Regulatory Consents. Seller shall at all times, use its best efforts to and diligently pursue all approvals, authorizations, consents and Permits required to be obtained to consummate the transaction contemplated by this Agreement. Seller shall (i) as promptly as practicable, make or cause to be made such filing and submissions under the laws, rules and regulations applicable to it as may be required for Seller to sell the Assets pursuant to the terms of this Agreement; and (ii) keep PAWC apprised of the status of any filing or submission to any such governmental or regulatory agency.

(g) Municipal Ordinances. Seller shall use reasonable commercial efforts to cause all municipalities served by the System to adopt and to maintain ordinances or laws that require properties within the areas served by the System to connect to and remain connected to the System.

(h) Access. Seller shall provide PAWC and its representatives free and full access to and right to inspect, during normal business hours and upon prior written notice, all of the premises, properties, assets, records, Permits, contracts and other documents relating to the Assets and shall permit PAWC to consult with its officers, employees and other representatives for purposes of making such investigation of the Assets as PAWC shall desire to make, provided that no investigation shall unreasonably interfere with Seller's operation of the System.

(i) Customer List. Within ninety (90) days of execution of this Agreement, Seller shall provide PAWC an accurate and complete listing of all bulk, wholesale and retail customers of the System. This customer list shall provide the customer names, account information, service addresses, billing addresses, and all other relevant billing information, such as metering and equivalent dwelling unit information. The parties will continue to work together to determine additional information that should be included on the customer list, which shall be updated prior to Closing to include such additional information. This customer list shall be true and correct as of the date such list is provided to PAWC and shall be updated at Closing and provided to PAWC at Closing so as to be true and correct as of the Closing Date.

(j) Rates. Upon Closing, PAWC shall adopt Seller's water base rates reflected in **Schedule 6.7** (the "**Base Rate**"), which adopted rates shall become effective before the Closing Date. Seller shall provide PAWC with a copy of the Resolution adopting the Base Rate, certified by a proper representative of Seller.

(k) Customer Advances. Prior to the Closing Date, Seller shall complete the construction of all mains and facilities for which Seller has received customer advances and return all unexpended customer advances to the appropriate depositor. Provided, however, that for projects acceptable to and approved in

writing by PAWC, Seller may pay over to PAWC the unexpended, non-refundable customer advances, and PAWC shall assume all of the responsibility of Seller as to those unexpired customer advances and shall be bound by the terms and conditions contained in the Extension Deposit Agreements. PAWC shall not assume any responsibility for any unexpired customer advances received by Seller, or for any Extension Deposit Agreements to which Seller becomes a party, except as specifically agreed to in writing.

(l) Updating of Information. Between the date of this Agreement and the Closing Date, Seller will deliver revised or supplementary Schedules to this Agreement, containing accurate information as of the Closing Date, in order to enable PAWC to confirm the accuracy of Seller's representations and warranties and otherwise effectuate the provisions of this Agreement. The receipt by PAWC of any revised or supplementary Schedules to this Agreement shall in no way prejudice PAWC's right to terminate this Agreement based upon the failure of any condition to be satisfied under **Section 9.1** hereof or seek indemnification under **Section 10.1**. Seller will promptly inform PAWC, in writing, of the occurrence or failure of any action or event that would violate Seller's representations and warranties under this Agreement or render them inaccurate as of the date hereof or the Closing Date or that would constitute a breach of any covenant of Seller under this Agreement or a failure of any condition to the obligations of either Seller or PAWC under this Agreement. Each month prior to Closing, Seller will notify PAWC regarding any changes to information previously provided to PAWC related to the System or this Agreement.

(m) Retention of Records. Seller shall preserve any books and records relating to the System and the business that are not delivered to PAWC hereunder for a period no less than seven (7) years after the Closing Date (or such longer period as shall be required by Applicable Law), and Seller shall make available such books and records for review and copying to PAWC and its authorized representatives following the Closing at PAWC's expense upon reasonable notice during normal business hours. During such period, Seller shall permit, to the extent permitted by Applicable Law and upon request of PAWC, PAWC and any of its agents, representatives, advisors or consultants reasonable access to all properties, books, contracts and records of Seller related to the System and employees of or servicing the business for information related to periods up to and including the Closing.

6.2 Title Information. Within thirty (30) days following the execution of this Agreement, Seller shall deliver to PAWC true, correct and complete copies of all existing title policies, surveys, leases, deeds, instruments and agreements in Seller's possession relating to title to the real estate and easements constituting part of the Assets, as well as any amendments thereto through to Closing. Thereafter, PAWC and Seller shall conduct an abstract of such title information to determine whether Seller has sufficient real estate rights and continuous rights-of-way to permit PAWC, upon Closing, to operate a continuous water system, including lines, facilities fittings and appurtenances necessary to operate such water system, and that such rights are represented by legal instruments in appropriate form, duly recorded. Upon notification by PAWC that such legal rights for the System are not sufficient for the operation of the System, Seller shall, at its sole expense, secure such additional legal rights as PAWC may request.

6.3 Rights of First Refusal. Regarding any real property listed on Schedule 4.1(l)(iii) ("ROFR Property"), Seller shall make its commercially reasonable efforts to obtain the written release of such options or rights of first refusal from the owner(s) prior to Closing. If Seller is unable to obtain releases from the owner(s) prior to Closing, Seller shall, upon Closing, grant to PAWC an easement acceptable to PAWC in its sole discretion for the operation of the System on each ROFR Property, and the parties shall cooperate in good faith thereafter to effect the transfer of title in fee to the ROFR Properties to PAWC."

6.4 Dual Meter Readings. On or about the Closing Date, PAWC and Seller shall take a dual meter reading for each of the customers of the System, which shall be used for (i) Seller to issue a final invoice to customers covering the period on and before the Closing Date, and (ii) PAWC to obtain its initial meter reading for future invoices covering the period after the Closing Date. The parties shall coordinate in good faith and agree upon these meter readings at such time, which shall be used for such invoices and all accounts receivable being retained by Seller under **Section 1.4**.

6.5 Further Assurances. Each party to this Agreement shall cooperate and deliver such instruments and take such action as may be reasonably requested by the other party in order to carry out the provisions and purposes of this Agreement and the transactions contemplated hereby. After the Closing, each party shall take such other actions and execute such other documents, instruments certifications, and further assurances as Seller or PAWC, as the case may be, may reasonably require in order to make effective the transactions contemplated hereby (including to transfer to PAWC or to put PAWC more fully in possession of any of the Assets).

6.6 Cooperation. Subject to the terms and conditions of this Agreement, the parties shall cooperate fully with each other and their respective counsel and accountants in connection with, and take or cause to be taken and do or cause to be done, any actions required to be taken under Applicable Law to make effective the contemplated transactions as promptly as practicable. Prior to the Closing, the parties shall proceed expeditiously and in good faith to make such filings and take such other actions as may be reasonably necessary to satisfy the conditions to Closing set forth herein. Any and all filing fees in respect of such filings shall be paid by Seller, with the exception of those fees implemented by the PUC, which shall be paid by PAWC. On or after the Closing Date, the parties shall, on request, cooperate with one another by furnishing any additional information, executing and delivering any additional documents and instruments, including contract assignments not obtained prior to Closing, and doing any and all such other things as may be reasonably required by the parties or their counsel to consummate or otherwise implement the transactions contemplated by this Agreement. Seller hereby agrees to cooperate with PAWC to ensure a proper transition of all customers with respect to billing and customer service activities, including assisting PAWC to place all customer information in a format reasonably requested by PAWC. As part of its cooperation, representatives of PAWC will attend and participate in one or more public meetings to answer questions and explain its plans for operating the System after the Closing.

6.7 Rates. Effective upon Closing, PAWC shall (1) implement the Base Rates set forth in **Schedule 6.7** (which Base Rates shall have been adopted by Seller as provided in **Section 6.1(j)**) as PAWC's effective water base rates applicable to Seller's customers, and (2) apply PAWC's then existing miscellaneous fees and charges, rules and regulations for water service as set forth in PAWC's PUC-approved Tariff. As provided in 66 Pa.C.S. § 1329(d)(4), the Base Rates established in **Schedule 6.7** shall remain in place until the effective date of new rates approved by the PUC as the result of a base rate case proceeding before the PUC ("**New Rates**"). The New Rates shall be just and reasonable and consistent with PUC ratemaking principles.

6.8 Local Office. Effective upon Closing, PAWC shall continue, maintain, or establish one (1) or more local office(s) located within the geographical confines of the Creator Municipalities to serve customers of the System and to service the System, including, without limitation, for the payment of customer bills, the storage of equipment and materials, and the deployment of PAWC employees to service the System. PAWC shall maintain such office(s) for a minimum of two (2) years from Closing.

6.9 Capital Improvements. PAWC represents, warrants, and agrees that it shall make commercially reasonable best efforts to complete improvements to the System as a result of a capital investment of

approximately \$9,000,000.00 during the first five (5) years after the Closing. Those improvements are generally described in **Schedule 6.9**.

6.10 Municipal Line Extensions. PAWC acknowledges and confirms that it is aware that the Creator Municipalities will use the net proceeds of the Purchase Price to construct water lines and other related facilities and appurtenances in order to extend water service to additional areas within their respective boundaries. PAWC agrees to cooperate with the Creator Municipalities in connection with the design and construction of such line extensions, facilities, and appurtenances, and to accept the transfer of those line extensions, facilities, and appurtenances upon the completion thereof in accordance with PAWC's specifications. The areas of each of the Creator Municipalities in which the parties contemplate that such line extensions, facilities, and appurtenances will be constructed are described on **Schedule 6.10**.

6.11 Cooperation for Retained Accounts Receivable. PAWC agrees to cooperate with Seller, and with the Creator Municipalities upon the assignment by Seller to the Creator Municipalities, in the collection of Seller's Retained Accounts Receivable described in **Section 1.5** and **Section 4.1(g)**.

ARTICLE 7

EMPLOYEE MATTERS

7.1 Subject to the obligations of Seller under Applicable Law and PAWC's rights and obligations set forth in this **ARTICLE 7**, PAWC shall offer employment effective on the Closing Date, to all active Personnel set forth in **Schedule 7.1** who are employed by Seller in operating the System as of the Closing Date and who are available to commence work on the Closing Date, subject to PAWC's existing standard hiring policies and procedures applicable to new employees (including but not limited to, a criminal background check and drug screening and written acknowledgment of PAWC's Code of Conduct and other employment policies, if applicable, from all Personnel), except with respect to benefits as otherwise provided in **ARTICLE 7**. **Schedule 7.1** shall not be amended after the date this Agreement is executed without the prior written consent of PAWC. For purposes of clarity, nothing contained in this **ARTICLE 7** limits, restricts or prohibits PAWC from interviewing the Personnel for informational purposes only in connection with the transfer of employment of the Personnel to PAWC as provided in this **ARTICLE 7**.

7.2 Subject to the obligations of Seller under Applicable Law, Transferred Personnel, if any, shall be employees-at-will of PAWC. PAWC shall provide each of Transferred Personnel compensation and benefits which are substantially comparable to the compensation and benefits then provided to similarly situated employees of PAWC. Nothing in this Agreement shall require PAWC to provide any particular form or type of employee benefit program, plan or policy to any Transferred Personnel as a result of the transaction contemplated by this Agreement.

7.3 Subject to the obligations of Seller under Applicable Law, PAWC's rights and obligations set forth in this **ARTICLE 7**, and PAWC's applicable employee benefit plan documents, with respect to employee benefit plans maintained by PAWC for the benefit of its employees (i.e., paid vacation leave, PAWC's 401k Savings Plan), effective as of the Closing, PAWC shall recognize the Transferred Personnel's length of service with Seller as if such service were with PAWC for eligibility and vesting under PAWC's employee benefit plans and programs (except where doing so would result in a duplication of benefits). PAWC's pension plans and retiree medical plans are excluded from the foregoing sentence.

7.4 Subject to the obligations of Seller under Applicable Law and PAWC's rights and obligations under this **ARTICLE 7**, effective as of the Closing, the Transferred Personnel shall cease active participation in Seller's Plans. Seller shall remain liable for all eligible claims for benefits under Seller's Plans that are incurred by the Personnel prior to the Closing Date. Subject to the obligations of Seller under Applicable Law **ARTICLE 7**, Seller shall remain liable to make any contributions to Seller's Plans related to, and/or to fund any retirement benefits accrued by, the Transferred Personnel prior to Closing. For purposes of this Agreement, the following claims shall be deemed to be incurred as follows: (i) life, accidental death and dismemberment, short-term disability, and workers compensation insurance benefits, on the event giving rise to such benefits, (ii) medical, vision, dental, and prescription drug benefits, on the date the applicable services, materials or supplies were provided, (iii) long-term disability benefits, on the eligibility date determined by the long-term disability insurance carrier for the plan in which the applicable Personnel participates.

7.5 This **ARTICLE 7** shall be binding upon and inure solely to the benefit of each of the parties to this Agreement, and nothing in this **ARTICLE 7**, express or implied, shall confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this **ARTICLE 7**. The parties acknowledge and agree that the terms set forth in this **ARTICLE 7** shall not create any right in any Transferred Personnel or any other person to any continued employment with PAWC or compensation or benefits of any nature or kind whatsoever, and shall not be deemed to restrict PAWC in the exercise of its independent business judgment in establishing or modifying any terms or conditions of the employment of the Transferred Personnel. Nothing contained in this **ARTICLE 7** shall constitute an amendment of, or an undertaking to amend, any employee benefit plan, program or arrangement maintained by PAWC or is intended to prevent PAWC from amending or terminating any such employee benefit plan, program or arrangement in accordance with its terms.

7.6 No later than the Closing Date, Seller shall transfer all records pertaining to the employment of the Transferred Personnel to PAWC including all Personnel and human resources files and records for the Transferred Personnel.

ARTICLE 8

PENNSYLVANIA PUBLIC UTILITY COMMISSION APPROVAL

8.1 Pennsylvania PUC Approval. The obligation of PAWC to consummate the transactions contemplated by this Agreement is conditioned upon PAWC receiving the approvals of the PUC. PAWC covenants and agrees to initiate, and use commercially reasonable efforts to prosecute the necessary proceedings to obtain the approval of the PUC for: (a) this Agreement and the transactions contemplated hereby which require approval by the PUC, including the transfer by sale of the Assets to PAWC and the Assignment of Contracts Agreement; (b) the right of PAWC to provide water service to the public primarily in the service area presently being served by Seller's System; (c) the right of PAWC to apply after Closing PAWC's existing rules and regulations for service as set forth in PAWC's Tariff for the service area presently being served by Seller's System; (d) the right of PAWC to adopt Seller's rates as PAWC's rates in the area to be served at the time of Closing consistent with **Section 6(j)**; and (e) any other approval as may be appropriate to consummate the transactions contemplated by this Agreement. Seller, by this Agreement, covenants and agrees to provide such information, documents and assistance as may be reasonably requested by PAWC in connection with any such proceedings and to otherwise cooperate in the initiation and prosecution of any such proceeding.

8.2 PUC Application Condition Precedent. PAWC shall not be obligated to apply to the PUC for approval of the transactions contemplated by this Agreement until: (i) Seller renews its lease, upon terms reasonably acceptable to PAWC, of the Mill Run Water Treatment Plant with the Municipal Authority of Westmoreland County (“MAWC”), and; (ii) PAWC enters into an assignment and amendment agreement with MAWC for PAWC’s continued lease and operation of the Mill Run Water Treatment Plant effective upon Closing.

ARTICLE 9

CONDITIONS PRECEDENT

9.1 Conditions Precedent to PAWC’s Obligations. The obligation of PAWC to consummate the transactions contemplated hereby are subject to the satisfaction, on or prior to the Closing, of each of the following conditions (any one or more of which may be waived in writing in whole or in part by PAWC in its sole discretion):

(a) Representations and Warranties. Seller’s representations and warranties set forth in this Agreement or in any Schedule, list, certificate or document delivered pursuant to this Agreement shall be true, correct and accurate as of the date made and at and as of the time of the Closing with the same force and effect as though such representations and warranties were made at and as of the Closing Date (without giving effect to any supplement to the Schedules), and PAWC shall have received from a proper representative of Seller a certificate to such effect, in form and substance reasonably satisfactory to PAWC.

(b) Performance of Covenants and Agreements. Seller shall have performed and complied with in all material respects all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing, and PAWC shall have received from a proper representative of Seller a certificate to such effect, in form and substance reasonably satisfactory to PAWC.

(c) Adverse Change. There shall not have been a material adverse change, occurrence or casualty, financial or otherwise, to the System or the Assets (including a material loss of customers or Contracts), whether covered by insurance or not.

(d) Release of Liens. All necessary action shall have been taken to cause the release, cancellation and discharge of any and all Encumbrances so that as of the Closing, the Assets shall be free and clear of any and all Encumbrances, and Seller shall have provided PAWC with such opinions, instruments or documents as PAWC may reasonably request, and in form and substance reasonably satisfactory to PAWC, evidencing the release, cancellation and discharge of any and all Encumbrances and that the Assets are not subject to any liens or Encumbrances.

(e) Other Regulatory Consents. Seller shall have obtained the written, final and unappealable approvals, authorizations and consents (including consents for Permit transfers) that are required to consummate the transactions contemplated by this Agreement and for PAWC to operate the System and the Assets after the Closing, including the approval of an appropriate Water Permit and NPDES Permits from the DEP and every regulatory agency of federal, state or local government that may be required in PAWC’s opinion, each in form and substance (including with respect to the terms and conditions contained in any such approval) acceptable to PAWC in its sole and absolute discretion, and all waiting periods under existing laws, and all extensions thereof, the passing of which is necessary to consummate the contemplated transactions and finalize a Closing, shall have expired.

(f) Opinion of Counsel and Resolution. Seller shall have delivered to PAWC a written Opinion of Seller's Counsel, dated as of the Closing Date and addressed to PAWC, in the form set forth in **Exhibit C**, along with a copy of the Resolutions, certified by their proper representatives, approving the execution, delivery and performance of this Agreement by Seller, together with the certificate of its proper representatives that the Resolutions are in full force and effect and were duly adopted.

(g) Contractual Consent. Seller shall have obtained written approvals, authorizations and consents of transfer to all Assigned Contracts and Permits, to the extent specifically required by the terms of such Assigned Contracts and Permits, on terms reasonably satisfactory to PAWC.

(h) Certification of Financial Information. Seller shall have delivered to PAWC a certificate, in substantially the form set forth in **Exhibit D**, executed by its authorized representative in the form and substance satisfactory to PAWC, listing (i) the amount of its net outstanding long-term debt or notes, if any, related to the System (ii) all unexpired customer advances for construction and unexpired contributions in aid of construction as of the Closing Date, and (iii) any and all additions or retirements to the System during the period from the date of execution of this Agreement to the Closing Date, together with the cost thereof.

(i) Closing Deliveries. Seller shall have delivered all documents required to be delivered by it pursuant to **Section 3.1(a)**.

(j) Proceedings. No provision of any law or order shall be in effect, and no proceeding by any person shall be threatened or pending before any Governmental Authority, or before any arbitrator, that would: (i) prevent consummation of the contemplated transactions; (ii) have a likelihood of causing the contemplated transactions to be rescinded following consummation; (iii) adversely affect the right of PAWC to own any of the Assets or operate the System; or (iv) adversely affect the System prospects or the value or condition of any of the Assets or the System.

(k) Due Diligence. PAWC shall have completed and be satisfied, in its sole and absolute discretion, with the results of its due diligence review of the System, the Assets and Seller, including with the results of any environmental assessment performed with respect to any real property or the Assets or chain of title search, all material contracts and operating Permits and licenses of the System, and Seller's operations, contracts, compliance, accounting and other items as PAWC deems necessary, as each of the foregoing items relate to the System or the Assets, except as may be excluded, confidential, or non-disclosable by law or contract.

(l) Authorization of Contemplated Transactions. PAWC shall have obtained all necessary corporate approvals to consummate the contemplated transactions, including the approval of its Board of Directors.

(m) PUC Approval. The PUC shall have entered an order (or orders) providing the approvals set forth in **Section 8.1**, and such order(s) shall not be subject to appeal, challenge, supersedeas or injunction.

(n) Employee Matters. All Transferred Personnel remain Non-Union Personnel, and Seller remains not subject to any collective bargaining agreements.

(o) Water Main Projects. Seller shall have achieved, to PAWC's reasonable satisfaction, Substantial Completion of the Water Main Projects shown on **Exhibit E**.

(p) PADEP Consent Order and Agreement. PAWC shall have entered into a consent order and agreement related to its ownership and operation of the System with PADEP acceptable to PAWC in its sole and absolute discretion.

9.2 Conditions Precedent to Seller's Obligations. The obligation of Seller to consummate the transactions contemplated hereby are subject to the satisfaction, on or prior to the Closing, of each of the following conditions (any one or more of which may be waived in writing in whole or in part by Seller in its sole discretion):

(a) Representations and Warranties. PAWC's representations and warranties contained in this Agreement or in any Schedule, list, certificate or document delivered pursuant this Agreement shall be true, correct and accurate as of the date made and at and as of the time of the Closing, with the same force and effect as though such representations and warranties were made at and as of the Closing Date (without giving effect to any supplement to the Schedules), and Seller shall have received from an officer of PAWC a certificate to such effect, in form and substance reasonably satisfactory to Seller.

(b) Performance of Agreements. PAWC shall have performed and complied, in all material respects, with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing, and Seller shall have received from an officer of PAWC a certificate to such effect, in form and substance reasonably satisfactory to Seller.

(c) Closing Deliveries. PAWC shall have delivered the Purchase Price and all documents required to be delivered by it pursuant to **Section 3.1(b)**.

ARTICLE 10

INDEMNIFICATION

10.1 Indemnification by Seller. Seller shall fully pay, protect, defend, indemnify and hold harmless PAWC and its affiliates and their respective officers, directors and agents and representatives ("**PAWC Indemnified Parties**") from any and all Claims or Damages arising out of, resulting from, relating to or caused by: (i) a misrepresentation, inaccuracy in or breach of (or any claim by any third party alleging or constituting a misrepresentation, inaccuracy in, or breach of) any representation or warranty of, or any failure to perform or nonfulfillment of any provision or covenant contained in this Agreement or any other transaction document, by Seller; (ii) any and all liabilities of Seller of any nature (including the retained liabilities in **Section 1.3(a)**), whether due or to become due, whether accrued, absolute, contingent or otherwise, whether accruing prior to or after the Closing Date, or arising out of any transaction entered into, any state of facts existing or any event occurring on or prior to such date, and any Encumbrance affecting the Assets or the System; (iii) assessments, charges and other similar claims due or owing, directly or indirectly, by Seller or otherwise as a result of or on account of the Assets or the System at any time on or prior to the Closing Date; (iv) the ownership and/or operation of any of the Assets or the System on or prior to the Closing Date; (v) any proceeding now existing or hereafter arising and relating to the Assets or the System and arising from events or matters occurring on or prior to the Closing Date, regardless of when realized; (vi) any liabilities arising from or related to assets, properties and rights of Seller excluded from the Assets; (vii) any and all liabilities relating to the employees, agents and independent contractors of Seller who performed services for Seller or related to the System or the Assets occurring prior to the Closing; (viii) the failure to comply with the provisions of any so-called bulk transfer or bulk sale law of any jurisdiction in connection with the sale of the System and the Assets to PAWC,

and (ix) transaction costs and expenses incurred by or on behalf of Seller in connection with this Agreement or the contemplated transactions.

No information or knowledge acquired, or investigations conducted, by PAWC or its representatives, of Seller, the Assets, the System or otherwise, shall in any way limit, or constitute a waiver of, or a defense to, any claim for indemnification by PAWC Indemnified Parties under this Agreement.

10.2 Indemnification by PAWC. PAWC agrees to indemnify, defend and hold harmless Seller and its affiliates and their respective officers, directors and agents at all times after the date of this Agreement, from, against and in respect of any and all Claims or Damages resulting from (i) a misrepresentation, an inaccuracy in or breach of (or any claim by any third party alleging or constituting a misrepresentation, an inaccuracy in, or breach of) any representation or warranty of, or any failure to perform or nonfulfillment of any provision or covenant contained in this Agreement or any other transaction document, by PAWC, and (ii) any and all liabilities of PAWC of any nature related to PAWC's operation of the System and the Assets and occurring after the Closing Date.

10.3 Survival of Representations and Warranties. All representations, warranties, covenants and agreements made by the parties in this Agreement or in any agreement, document, statement or certificate furnished hereunder or in connection with the negotiation, execution and performance of this Agreement shall survive the Closing. Notwithstanding any investigation or audit conducted before or after the Closing Date, or the decision of any party to complete the Closing, each party shall be entitled to rely upon the representations, warranties, covenants and agreements set forth herein and therein. Notwithstanding anything contained herein or elsewhere to the contrary, all "material" and "material adverse effect" or similar materiality type qualifications contained in the representations and warranties set forth in this Agreement shall be ignored and not given any effect for purposes of the indemnification provisions hereof, including for purposes of determining the amount of any Claims or Damages.

10.4 Establishment of Escrow. PAWC and Seller acknowledge and agree that, as of Closing, the costs of obtaining the Missing Easements and any Claims or Damages that PAWC may suffer may not yet be known and therefore, at Closing, Seller shall deposit with a reputable banking institution (the "**Escrow Agent**"), funds as contemplated in subsections 10.4(a), below, as follows:

(a) Missing Easement Escrow. Seller shall deposit with Escrow Agent pursuant to an escrow agreement in the form of **Exhibit B**, as agreed upon by the parties hereto and Escrow Agent prior to the Closing (the "**Escrow Agreement**"), the sum of **One Thousand Dollars (\$2,000.00)** per Missing Easement (the "**Missing Easement Escrow**") for the purpose of covering the costs of preparing, negotiating and finalizing, and recording any Missing Easements (the "**Missing Easement Work**"). Seller shall diligently pursue the Missing Easements after the Closing. Following the completion of the Missing Easement Work, then the funds remaining in the Missing Easement Escrow shall be released promptly (but in no event later than thirty (30) days after the later of the dates set forth above) to Seller; provided, however, that if Seller is unable to complete the Missing Easement Work within two (2) years following the Closing Date, then PAWC shall release the portion of the Missing Easement Escrow to Seller or its assigns.

(b) Authority General Indemnity Escrow. In light of the fact that Seller plans to dissolve on or shortly after the Closing, Seller shall also deposit with Escrow Agent pursuant to the Escrow Agreement, the sum of **Two Million Dollars (\$2,000,000.00)** (the "**Authority Escrow**") for the purpose of covering any Claims or Damages of any PAWC Indemnified Parties that would be subject to indemnification by Seller under this Agreement for a period of up to two (2) years after the Closing. Following the date that is two (2)

year(s) after the Closing, then to the extent of any funds remaining in the Authority Escrow, any such funds remaining in the Authority Escrow shall be released promptly (but in no event later than thirty (30) days after the date set forth above) to Seller. If PAWC suffers any Claims or Damages that would be subject to indemnification from Seller as provided in this Agreement, PAWC shall submit to Escrow Agent and Seller a written request for disbursement, accompanied by reasonable supporting documentation therefore (a “**Request for Disbursement**”). Seller shall have ten (10) business days in which to review and verify the information submitted in the Request for Disbursement, and unless Seller objects in writing within ten (10) business days after the Request for Disbursement, the Request for Disbursement shall be deemed approved. If Seller objects, in the time set forth above, to a Request for Disbursement, then any portion of the Request for Disbursement to which Seller does not object shall nonetheless be released to PAWC. To the extent of any disputed portion of a Request for Disbursement, the dispute resolution procedures of the Escrow Agreement shall apply. In the event that Seller, or the Creator Municipalities, object to the Request for Disbursement because the Seller is or the Creator Municipalities are defending PAWC from the Claim, either directly or through an insurance carrier, no Disbursement for that Claim will be made by the Escrow Agent to PAWC unless it is not resolved in favor of PAWC, the Seller or the Creator Municipalities, and it is not paid by the Seller or the Creator Municipalities, or any insurance carrier on their behalf. If such a Claim has not been resolved before the end of the two-year period after the Closing, the Escrow Agent will continue to hold a reserve for that Claim until it is so resolved.

10.5 Limitations on Indemnification Obligation.

(a) Subject to the other limitations contained in this **Section 10.5**, neither PAWC nor PAWC Indemnified Parties is entitled to indemnification pursuant to **Section 10.1** (other than for an intentional breach of any agreement or covenant contained in this Agreement) unless the aggregate amount of Losses incurred by Buyer and Buyer Indemnified Persons under this Agreement exceeds **Ten Thousand Dollars (\$10,000.00)** of the Purchase Price (the “**Threshold Amount**”), in which case Seller shall then be liable for Losses in excess of the Threshold Amount; provided, however, that the foregoing limitations contained in this Section 8.5(a) shall not apply to any claims for indemnification based on fraud, intentional misrepresentation or willful misconduct or to claims under the Easement Escrow Agreement.

(b) Subject to the other limitations contained in this **Section 10.5** Seller shall not be entitled to indemnification pursuant to **Section 10.2** (other than for an intentional breach of any agreement or covenant contained in this Agreement) unless the aggregate amount of Losses incurred by Seller under this Agreement exceeds the Threshold Amount, in which case PAWC shall then be liable for Losses in excess of the Threshold Amount; provided, however, that the foregoing limitations contained in this **Section 10.5(b)** shall not apply to any claims for indemnification based on fraud, intentional misrepresentation or willful misconduct.

(c) Except in the case of fraud, intentional misrepresentation or willful misconduct (for which all applicable legal and equitable remedies will be available to PAWC), the PAWC Indemnified Parties are only entitled to assert claims under **Section 10.1** up to the amount of **One Hundred Fifty Thousand Dollars (\$150,000.00)** (the “**Liability Cap**”) per claim, which shall represent the sole and exclusive remedy of the PAWC Indemnified Parties for any such claims under **Section 10.1** (other than claims of fraud, intentional misrepresentation or willful misconduct which shall not be subject to the Liability Cap, but shall be capped at the Purchase Price).

10.6 Notice of Claim. If either party seeks indemnification on behalf of an indemnified person, such party seeking indemnification (the “**Indemnified Party**”) shall give reasonably prompt written notice to

the party from whom it seeks indemnification (the “**Indemnifying Party**”) specifying the facts constituting the basis for such claim and the amount, to the extent known, of the claim asserted; provided, however, that the right of a person or entity to be indemnified hereunder shall not be adversely affected by a failure to give such notice unless, and then only to the extent that, an Indemnifying Party is actually irrevocably and materially prejudiced thereby. Subject to the terms hereof, the Indemnifying Party shall pay the amount of any valid claim not more than thirty (30) days after the Indemnified Party provides notice to the Indemnifying Party of such amount.

ARTICLE 11

TERMINATION

11.1 Termination. This Agreement may be terminated at any time prior to the Closing only (a) by mutual written consent of Seller, the Creator Municipalities and PAWC; (b) by Seller or PAWC upon written notice to the other, if the Closing shall not have occurred on or prior to May 31, 2027; provided, however, that the right to terminate this Agreement under this **Section 11.1** shall not be available to any party whose breach under this Agreement has caused or resulted in the failure of the Closing to occur on or before such date; (c) by PAWC, if PAWC is not in material breach of any of its representations, warranties, covenants and agreements under this Agreement and there has been a breach of a representation, warranty, covenant or agreement contained in this Agreement on the part of Seller and Seller has not cured such breach within five (5) business days after receipt of notice of such breach (provided, however, that, no cure period shall be required for a breach which by its nature cannot be cured); (d) by PAWC, if, at any time before Closing, PAWC is not satisfied (in its sole and absolute discretion) with the results of its due diligence review of the System and the Assets or the prospects of obtaining all regulatory consents and approvals; (e) by Seller and the Creator Municipalities, if Seller is not in material breach of any of its representations, warranties, covenants and agreements under this Agreement and there has been a material breach of any representation, warranty, covenant or agreement contained in this Agreement on the part of PAWC and PAWC has not cured such breach within five (5) business days after receipt of notice of such breach (provided, however, that, no cure period shall be required for a breach which by its nature cannot be cured); (f) by Seller or PAWC upon written notice to the other, if any court of competent jurisdiction or other competent governmental entity shall have issued a statute, rule, regulation, order, decree or injunction or taken any other action permanently restraining, enjoining or otherwise prohibiting the contemplated transactions, and such statute, rule, regulation, order, decree or injunction or other action shall have become final and non-appealable; (g) by PAWC, if all necessary regulatory approvals contemplated hereby or otherwise necessary to close the contemplated transactions have not been obtained within three hundred sixty (360) days of the date hereof; or (h) by PAWC, if any necessary regulatory approval is subject to an appeal in any court of competent jurisdiction that remains pending more than twelve (12) months after approval by the PUC.

11.2 Effect of Termination. The right of each party to terminate this Agreement under **Section 11.1** is in addition to any other rights such party may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to **Section 11.1**, all further obligations of the parties under this Agreement will terminate, except that the obligations set forth in this **Section 11.2** (Effect of Termination) and **ARTICLE 12** (Miscellaneous) will survive; provided, however, that if this Agreement is terminated by a party because of the breach of the Agreement by another party or because one or more of the conditions to the terminating party’s obligations under this Agreement is not satisfied as a result of the other party’s failure to comply with its obligations under this Agreement, the terminating party’s right to pursue all legal remedies will survive such termination unimpaired.

ARTICLE 12

MISCELLANEOUS

12.1 Contents of Agreement. This Agreement sets forth the entire understanding of the parties hereto with respect to the transactions contemplated hereby. It shall not be amended or modified except by written instrument duly executed by each of the parties hereto. Any and all previous agreements and understandings between or among any or all of the parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement.

12.2 Successors and Assigns.

(a) Except as otherwise set forth herein, neither Seller nor PAWC shall assign this Agreement or any rights and obligations hereunder without the prior written consent of the other party, and any attempted assignment or delegation without such prior written consent shall be void and of no force or effect. PAWC acknowledges and confirms that it is aware that Seller will assign its rights under this Agreement following Closing to the Creator Municipalities and that upon receiving notice of that assignment, the Creator Municipalities will inure to the benefits and be subject to the obligations of Seller described herein. PAWC hereby consents to such assignment by Seller to the Creator Municipalities and acknowledges that any amount to be paid to the Creator Municipalities is to be in equal amounts to each of them. The Creator Municipalities agree to be bound by the Seller representations and warranties that survive Closing.

(b) The parties hereto acknowledge and agree that the limitations on assignment contained in **Section 12.2(a)** do not limit the rights of the Creator Municipalities, as the municipalities who created Seller, under the Municipality Authorities Act. In the event of the termination of Seller in accordance with the Municipality Authorities Act or transfer of the System to the Creator Municipalities pursuant to the Municipality Authorities Act or other Applicable Law:

(i) The Creator Municipalities shall assume and be jointly and equally liable for all of Seller's obligations under this Agreement in each case as if the Creator Municipalities were direct parties hereto;

(ii) The [●] or such other person as may be designated by mutual written agreement of the Creator Municipalities (the [●] or such other person referred to as the "**Seller Successor Agent**") is hereby appointed to act as agent for and on behalf of the Creator Municipalities in connection with, and to facilitate, any and all transactions arising from, in connection with and incident to this Agreement;

(iii) A decision, act, consent or instruction of the Seller Successor Agent shall constitute a decision of Seller and shall be final, binding and conclusive upon each of the Creator Municipalities, and PAWC and an escrow agent may rely upon any decision, act, consent or instruction of the Seller Successor Agent as being the decision, act, consent or instruction of Seller and Creator Municipalities;

(iv) PAWC and an escrow agent are hereby irrevocably relieved of any liability to any person for any acts done by them in accordance with such decision, act, consent or instruction of the Seller Successor Agent; and

(v) Seller or the Seller Successor Agent, as the case may be, shall constitute the sole point of contact for purposes of any notices to be given, consents to be obtained, or other communications, by PAWC or PAWC's affiliates pursuant to or in connection with this Agreement or any matters arising out of

or relating hereto; and in no event shall PAWC be required or obligated in any way to give notice to, obtain the consent of, or otherwise communicate with any person other than Seller or the Seller Successor Agent.

12.3 Binding Effect. All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the legal representatives, and permitted assigns and successor of Seller or PAWC.

12.4 Waiver. Any term or provision of this Agreement may be waived at any time by the party or parties entitled to the benefit thereof by a written instrument executed by such party or parties.

12.5 Transfer Taxes. Any transfer taxes imposed on the conveyance or transfer of any real property pursuant to this Agreement shall be paid by PAWC.

12.6 Notices. Any notice, request, demand, waiver, consent, approval or other communication that is required or permitted hereunder shall be in writing and shall be deemed given only if delivered personally, by facsimile (if followed by overnight courier on the same date) or sent by nationally recognized overnight courier, as follows:

If to PAWC:

Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
Attention: President

With a required copy to:

Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
Attention: General Counsel

If to Seller:

Indian Creek Valley Water Authority
P.O. Box 486
Indian Head, PA 15446
Attention: Chairman

With required copies to:

Timothy J. Witt, Esquire
Watson Mundorff, LLP
720 Vanderbilt Road
Connellsville, PA 15425

If to Saltlick:

Saltlick Township

147 Municipal Building Road
P.O. Box 403
Melcroft, PA 15462

With a required copy to:

Jennifer Casini, Esquire
815 Memorial Blvd., Suite B
Connellsville, PA 15425

If to Springfield:

Springfield Township
P. O. Box 13
Mill Run, PA 15464

With a required copy to:

Ernest P. DeHaas, III, Esquire
DeHaas Law, LLC
51 E. South Street
Uniontown, PA 15401

or to such other address as the addressee may have specified in a written notice duly given to the sender as provided herein. Such notice, request, demand, waiver, consent, approval or other communication will be deemed to have been given as of the date so delivered.

12.7 Law to Govern. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania without giving effect to any conflicts of law's provisions.

12.8 No Benefit to Others. The representations, warranties, covenants and agreements contained in this Agreement are for the sole benefit of the parties hereto, and their legal representatives, successors and assigns, and they shall not be construed as conferring any rights on any other persons.

12.9 Interpretation. All section headings contained in this Agreement are for convenience of reference only, do not form a part of this Agreement, and shall not affect in any way the meaning or interpretation of this Agreement. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires. Unless otherwise indicated, the words "including", "includes", "included" and "include", when used, are deemed to be followed by the words "without limitation."

12.10 Schedules. All Schedules referred to herein are intended to be and hereby are specifically made a part of this Agreement.

12.11 Severability. Any provision of this Agreement that is invalid or unenforceable in any jurisdiction or under any circumstance shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or

unenforceability in any jurisdiction or under any circumstance shall not invalidate or render unenforceable such provision in any other jurisdiction or under any other circumstance, unless, in either event, the involved or unenforceable provision causes this Agreement to fail of its essential purpose.

12.12 Risk of Loss. Seller assumes risk of loss in connection with the Assets prior to Closing, including risk of loss from fire and other casualty. In the event of any loss or damage to any of the Assets, PAWC at its option, prior to or at Closing shall have the right to (i) request that the damaged asset be replaced or restored to substantially the same condition of the asset as of the date of this Agreement; (ii) request an adjustment to the Purchase Price as can be agreed upon by the parties, or (iii) request the insurance proceeds of Seller and/or other moneys to enable PAWC to make a proper restoration of the damaged asset.

12.13 Environmental Assessment. Without limiting the parties rights and obligations under this Agreement (including **Sections 6.1(h), 9.1(k) and 10.1**), after the date of this Agreement and until the Closing Date, PAWC shall have the reasonable right to enter upon the property and facilities constituting the System, after making reasonable prior arrangement with Seller, for the purposes of conducting an environmental assessment of the System. PAWC shall notify Seller in writing and shall provide documentation reasonably satisfactory to Seller, including, without limitation, a copy of any environmental assessment report, if the environmental assessment reveals the presence of oil or petroleum products or any hazardous or toxic wastes or materials or storage of fuel tanks or any other environmental hazard or contamination. Within fifteen (15) days of the date of such notice, Seller shall advise PAWC in writing as to whether Seller can cure the environmental hazard or contamination and, if so, what remediation actions Seller will take to cure. In connection with such environmental assessment, PAWC shall have the right, in PAWC's sole discretion, to terminate this Agreement upon written notice to Seller. The results of any environmental assessment completed by PAWC under this **Section 12.12** shall be and remain confidential and shall not be disclosed to any third party without the express written consent of Seller.

12.14 Specific Performance and Injunctive Relief; Remedies. The parties hereto recognize that if either of them fails to perform, observe or discharge any of their respective obligations under this Agreement, a remedy at law may not provide adequate relief to the other party. Therefore, in addition to any other remedy provided for in this Agreement or under Applicable Law, a party hereto may demand specific performance of this Agreement, and such party shall be entitled to temporary and permanent injunctive relief, in a court of competent jurisdiction at any time if the other party fails to comply with any of the provisions of this Agreement applicable to such party. To the extent permitted by Applicable Law, the parties hereby irrevocably waive any defense based on the adequacy of a remedy at law that might be asserted as a bar to such party's remedy of specific performance or injunctive relief. Except as otherwise provided herein, all rights and remedies of the parties under this Agreement are cumulative and without prejudice to any other rights or remedies under law. Nothing contained herein shall be construed as limiting the parties' rights to redress for fraud.

12.15 Counterparts. This Agreement may be executed by facsimile, electronically or by exchange of documents in PDF format, and in several counterparts, each of which shall be deemed an original instrument and all of which together shall constitute a single agreement. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

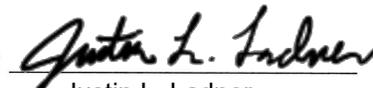
[SIGNATURES TO FOLLOW]

IN WITNESS WHEREOF, intending to be legally bound, the parties hereto have duly executed this Agreement on the date first written.

**INDIAN CREEK VALLEY WATER
AUTHORITY**

By: 
Name: David Cramer
Its: Chairman

**PENNSYLVANIA-AMERICAN WATER
COMPANY**

By: 
Name: Justin L. Ladner
Its: President

SALTICK TOWNSHIP

By: 
Name: Gregory N. Grimm
Its: Chairman

SPRINGFIELD TOWNSHIP

By: 
Name: Brian Nicholson
Its: Chairman

ASSET PURCHASE AGREEMENT

By and Between

Between Indian Creek Valley Water Authority

As Seller

and

Pennsylvania-American Water Company

As Buyer

SCHEDULES AND EXHIBITS

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

List of Exhibits

- Exhibit A – Assignment of Contracts Agreement
- Exhibit B – Form of Escrow Agreement
- Exhibit C – Form of Opinion of Seller’s Counsel
- Exhibit D – Form of Certification of Financial Information

List of Appendices

- Appendix 1 – Definitions

List of Schedules

- Schedule 1.0 – Service Area Map
- Schedule 1.4 – List of Excluded Assets
- Schedule 2.4 – Seller Outstanding Indebtedness
- Schedule 3.1(a) – Seller Closing Deliveries
- Schedule 3.1(b) – PAWC Closing Deliveries
- Schedule 4.1(b) – Assets Subject to Leasehold Interest
- Schedule 4.1(i) – Undisclosed Liabilities
- Schedule 4.1(k) – List of Contracts
- Schedule 4.1(k)(i) – Refund Arrangements
- Schedule 4.1(l)(i) – Rights in Real Property and Leases
- Schedule 4.1(l)(ii) – Easements and Rights of Way
- Schedule 4.1(l)(iii) – Options and Rights of First Refusal
- Schedule 4.1(l)(v) – Taxes and Assessments
- Schedule 4.1(l)(vi) – Necessary Repairs to Real Property
- Schedule 4.1(m) – Litigation

Schedule 4.1(p) – Violations of Law

Schedule 4.1(q) – Permits

Schedule 4.1(r)(iv) – Environmental Conditions

Schedule 4.1(t) – Extension Deposit Agreements

Schedule 5.1(c) – Assigned Contracts

Schedule 6.7 – Seller’s Rates

Schedule 6.9 – PAWC 5-Year Capital Improvements

Schedule 6.10 – Municipal Line Extensions

Schedule 7.1 – Employees

Exhibit A

Form of Assignment of Contracts Agreement

ASSIGNMENT OF CONTRACTS AGREEMENT

THIS ASSIGNMENT OF CONTRACTS AGREEMENT made and entered into the ____ day of _____, 20__, by and among **INDIAN CREEK VALLEY WATER AUTHORITY**, a municipal authority organized and existing under the laws of the Commonwealth of Pennsylvania (“**Seller**”), and **PENNSYLVANIA-AMERICAN WATER COMPANY**, a Pennsylvania corporation (hereinafter referred to as “**PAWC**”).

WHEREAS PAWC and Seller are parties to that Asset Purchase Agreement dated as of May 30, 2025, whereby PAWC agreed to purchase from Seller its water system located in Saltlick, Springfield, Bullskin, Connellsville, and Stewart Townships and Ohiopyle Borough in Fayette County; and Donegal Borough, and Donegal and Mount Pleasant Townships in Westmoreland County, which Seller owns, maintains and operates (the “**Acquisition Agreement**”).

WHEREAS, pursuant to the Acquisition Agreement, Seller agreed to sell, assign and transfer to PAWC the contractual rights of Seller related to the contracts, agreements and arrangements identified on **Exhibit A** attached hereto and made a part hereof (the “**Assigned Contracts**”).

WHEREAS, pursuant to the Acquisition Agreement, Seller is to assign and transfer to PAWC all of Seller’s rights, title and interest in and to the Assigned Contracts, and PAWC is to assume Seller’s duties and obligations arising after the date hereof under the Assigned Contracts.

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

1. Seller hereby assigns and transfers to PAWC all of its rights, title and interest in and to the Assigned Contracts, free and clear of all liens and encumbrances of every kind. In furtherance of the assignment contemplated by this Section 1, Seller warrants that, as of the date hereof, Seller has obtained the consent of the other contracting party (or other contracting parties) to each Assigned Contract, if prior consent is required to assign such Assigned Contract or if such Assigned Contract is, by its terms, not assignable.

2. PAWC hereby assumes all liabilities expressly contained in the Assigned Contracts that are to become due after the date hereof (excluding liabilities for non-performance, breach, default or other circumstances that occurred on or prior to the date hereof).

3. Seller assigns no liabilities of any kind or nature whatsoever to PAWC, and PAWC assumes no such liabilities, hereunder, except for those contained in the express terms of the Assigned Contracts (excluding liabilities for non-performance, breach, default or other circumstances that occurred on or prior to the date hereof).

4. This Assignment and Assumption Agreement shall be binding upon the parties and their respective heirs, successors and assigns.

5. Seller hereby covenants and agrees that it will, upon the request of PAWC, perform, execute and deliver (and cause to be performed, executed and delivered), such and all other instruments, documents, acts, transfers, assignments and assurances as PAWC may reasonably require in order to better assure, confirm and accomplish the purposes and benefits of this Assignment of Contracts Agreement.

6. This instrument shall be construed and governed in accordance with the internal laws of the Commonwealth of Pennsylvania, without giving effect to principles of conflicts of law.

7. This instrument may be executed in any number of counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, this Assignment of Contracts Agreement has been executed as of the date and year first above written.

WITNESS:

**INDIAN CREEK VALLEY WATER
AUTHORITY**

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Date: _____

Date: _____

WITNESS:

**PENNSYLVANIA-AMERICAN WATER
COMPANY**

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Date: _____

Date: _____

Exhibit A
to Assignment and Assumption Agreement

Assigned Contracts

1. Water Service Agreement with Donegal Borough dated May 2, 1995
2. Water Service Agreement with Donegal Township dated April 13, 1995
3. Water Service Agreement with Township of Mount Pleasant dated April 17, 1995
4. Shutoff Agreement with Borough of Ohiopyle dated December 5, 2013

Exhibit B

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (the “Escrow Agreement”) is made as of this ____ day of _____, 2024, by and among **PENNSYLVANIA-AMERICAN WATER COMPANY**, a corporation organized and existing under the laws of the Commonwealth of Pennsylvania (“Buyer”), **INDIAN CREEK VALLEY WATER AUTHORITY** (“Seller”), a municipal authority organized and existing under the law of the Commonwealth of Pennsylvania and [_____], a [_____] (the “Escrow Agent”), as escrow agent. Each of the Buyer, Seller and the Escrow Agent shall be referred to herein as a “Party” and collectively, as the “Parties”.

WHEREAS, Buyer and Seller are Parties to that certain Asset Purchase Agreement (the “Purchase Agreement”) dated May 30, 2025. Solely as between Buyer and Seller, terms not otherwise defined herein shall have the respective meanings ascribed to them in the Purchase Agreement.

WHEREAS, concurrently with the execution and delivery of this Escrow Agreement, the Buyer and Seller are closing on the transactions contemplated by the Purchase Agreement.

WHEREAS, pursuant to Section 10.4(b) of the Purchase Agreement and this Escrow Agreement, Buyer will provide for the placement of Two Million Dollars (\$2,000,000.00) of the Purchase Price in escrow with the Escrow Agent (in accordance with Section 2 hereof) (the “Indemnity Escrow Fund”) upon the terms and conditions of the Purchase Agreement, which agreement is incorporated by reference herein.

WHEREAS, the Purchase Agreement requires Seller to transfer or assign certain real property interests to Buyer for Acquired Assets situated upon lands owned by third parties, specifically including water lines encroaching upon land owned by third parties (collectively referred to herein as “Easements”). The Easements are identified on Schedule 4.1(l)(ii) of the Purchase Agreement, as that Schedule was amended as an attachment to the Closing Certificate delivered by Seller to Buyer on the date hereof.

WHEREAS, as of the date of this Escrow Agreement, Seller has not transferred or assigned [___] of the Easements (collectively, the “Missing Easements”, the list of which is attached hereto as **Exhibit “A”** which therefore will not be transferred to Buyer at Closing. Seller and Buyer have agreed to permit Seller to assign and transfer the Missing Easements following Closing pursuant to the terms of this Escrow Agreement.

WHEREAS, Buyer has agreed to deposit [_____ **Dollars (\$_____)**]. of the Purchase Price in escrow with the Escrow Agent (in accordance with Section 2 hereof) (the “Easement Escrow Fund”), in order to secure Seller’s obligations to assign and transfer all of the Missing Easements after the date hereof.

WHEREAS, the Parties are entering into this Escrow Agreement in furtherance of the Parties’ agreement described in Section 10.4(a) of the Purchase Agreement between Seller and Buyer dated the date hereof.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereto hereby agree as follows:

1. The above and foregoing recitals are incorporated by reference as if fully set forth hereinbelow.

2. Escrow Fund. The aggregate of the Easement Escrow Fund and the Indemnity Escrow Fund are hereafter collectively referred to as the "Escrow Fund." Buyer is delivering on the date hereof to the Escrow Agent an amount in cash equal to the Escrow Fund, which funds are to be held in escrow by the Escrow Agent pursuant hereto and released in accordance with the terms hereof.

3. Protection and Investment of Escrow Fund. The Escrow Agent shall separately hold and safeguard the Escrow Fund for such period of time that any funds remain therein, shall treat the Escrow Fund as a separate escrow account in accordance with the terms of this Escrow Agreement and not as its property, and shall hold and dispose of the Escrow Fund only in accordance with the terms of this Escrow Agreement. The Escrow Fund shall be held in escrow in a separate account held in a national banking association regulated by the Office of the Comptroller of the Currency (OCC) and authorized to conduct business in Pennsylvania. The Escrow Agent shall deposit the Escrow Fund into an interest-bearing account.

3. Term. This Escrow Agreement shall be for a term ending on the second (2nd) anniversary of the date of this Escrow Agreement (the "Term") (a) as to the Indemnity Escrow Fund, subject to extension in the event that there are pending claims upon the expiration of the Term, and (b) as to the Easement Escrow Fund, upon the Seller's delivery to Buyer of all Missing Easements, whichever is sooner.

4. Distributions from Indemnity Escrow Fund.

(a) The Indemnity Escrow Fund shall be available to Buyer as set forth in Section 4(b) in the event that the Seller becomes liable to Buyer under the terms of Article 10 of the Purchase Agreement.

(b) Buyer may give notice (the "Claim Notice") of any claim made under Article 10 of the Purchase Agreement (a "Buyer's Claim") to the Escrow Agent and the Seller at any time prior to the expiration of the Term of this Escrow Agreement. The Claim Notice shall describe the basis and amount of Buyer's Claim in reasonable detail and shall include a certification by the Buyer that it has delivered a copy of the Claim Notice to the Seller. The Escrow Agent shall release to the Buyer the amount of the Buyer's Claim from the Indemnity Escrow Fund on the tenth (10th) business day after the date when the Escrow Agent receives the Claim Notice, provided that, if the Escrow Agent, within such period of ten (10) business days, receives from Seller a written notice of dispute of the Buyer's Claim (which notice shall include a certification by the Seller that it has delivered a copy of such notice to the Buyer) then the Escrow Agent shall continue to hold the amount set forth in the Buyer's Claim in the Indemnity Escrow Fund pursuant to this Escrow Agreement until the Escrow Agent receives either written instructions signed by Buyer and Seller directing a release from the Indemnity Escrow Fund to satisfy the Buyer's Claim, or a final order of a court of competent jurisdiction (from which there is no further appeal or for which the time to appeal has expired without such appeal having been taken) directing a release from the Indemnity Escrow Fund to satisfy the

Buyer's Claim. The Escrow Agent shall make distributions from the Indemnity Escrow Fund in accordance with such instructions or order within ten (10) business days after such receipt.

(c) Within five (5) business days after the expiration of the Term, the balance, including investment earnings, of the Indemnity Escrow Fund after payment of any Buyer's Claims which have been finally determined pursuant to subsection (b) above, and after withholding amounts equal to any pending Buyer's Claims, shall be paid to the Seller pursuant to the joint written payment instructions provided by the Buyer and Seller at such time.

5. Distributions from Easement Escrow Fund. The Easement Escrow Fund shall be distributed to Seller or Buyer (such Party in such capacity, the "Withdrawing Party") in accordance with the following terms:

(a) Subject to Section 5(c) below, the Easement Escrow Fund shall be distributed to Seller in accordance with the following terms:

(i) Seller shall be entitled to quarterly distributions from the Easement Escrow Fund calculated as: the number of Missing Easements delivered to Buyer during the preceding calendar quarter which satisfy the criteria set forth herein (each, an "Easement Document"), multiplied by **Two Thousand Dollars (\$2,000.00)**, subject to a maximum aggregate distribution under this subparagraph (i) during the Term of [_____ **Dollars (\$_____)**]. In order for a Missing Easement to be included as an Easement Document for purposes of determining distributions under this subsection (a), the Easement Document must satisfy the following criteria:

(A) the Easement Document shall be in the form of (1) a recorded deed of easement or a recorded deed in lieu of condemnation, in each case duly executed by the third party granting the rights set forth therein, or (2) a final, unappealable order of court in a condemnation proceeding; and

(B) the Easement Document shall be perpetual in duration and shall adequately describe the area of land encumbered by such Easement Document which shall include adequate vehicular access to the Acquired Assets situated therein and adequate area for maintaining, repairing and replacing said Acquired Assets when necessary;

(C) the Easement Document shall satisfy all requirements for recording such Easement Document as imposed by either the Fayette County or Westmoreland County Recorder of Deeds, as applicable;

(D) any Easement Document in the form attached hereto as **Exhibit "B"** which, upon delivery to Buyer, complies with subparagraphs (A) through (C) above, shall be deemed to satisfy all requirements upon which a release from the Escrow Fund is conditioned.

(ii) the remaining [_____ **Dollars (\$_____)**] shall be distributed to Seller upon Seller's delivery of the last of the [_____] Missing Easement Documents (satisfying all criteria set forth in subparagraph (i) above) to Buyer in accordance with the terms hereof.

(b) All disbursements made under subparagraphs (a)(i) and (a)(ii) above shall occur within ten (10) days after the Escrow Agent has received a Withdrawal Request as set forth in Section 4(d) hereof.

(c) The balance in the Easement Escrow Fund, if any, existing upon expiration of the Term following any distribution owed to Seller resulting from delivery of Easement Documents during the quarter in which the Term expires, shall be distributed to Buyer.

(d) Within ten (10) days following the end of each calendar quarter during the Term (in which case only Seller shall be the Withdrawing Party) or, in the event that there is a balance in the Easement Escrow Fund existing upon expiration of the Term, then within ten (10) days of the expiration of the Term (in which case either Seller or Buyer may be the Withdrawing Party) the Withdrawing Party shall request a disbursement from the Easement Escrow Fund (a “Withdrawal Request”) by delivering to Escrow Agent and the other Party to this Escrow Agreement a written notice of such request (a “Withdrawal Request Notice”). The Withdrawal Request Notice shall describe the basis and amount of the Withdrawal Request, which, with respect to Seller, shall be calculated in accordance with Section 4(a)(i) above, and shall include any documentation (including Easement Documents delivered to Buyer) evidencing the basis for the amount of the Withdrawal Request, and a certification that a copy of the Withdrawal Request has been delivered to the other Party. The Escrow Agent shall release to the Withdrawing Party the amount of the Withdrawal Request from the Easement Escrow Fund on or before the tenth (10th) day after the date when the Escrow Agent receives the Withdrawal Request Notice, provided that, if the Escrow Agent, within such period of ten (10) days, receives from the other Party (in such capacity, an “Objecting Party”) a written notice of dispute of the Withdrawal Request (which notice shall include a certification by the Objecting Party that it has delivered a copy of such notice to Withdrawing Party) then the Escrow Agent shall continue to hold the amount set forth in the Withdrawal Request in the Easement Escrow Fund pursuant to this Escrow Agreement until the Escrow Agent receives either written instructions signed by the Withdrawing Party and the Objecting Party directing a release from the Easement Escrow Fund, or a final order of a court of competent jurisdiction (from which there is no further appeal or for which the time to appeal has expired without such appeal having been taken) directing a release from the Easement Escrow Fund. The Escrow Agent shall make distributions from the Easement Escrow Fund in accordance with such instructions or order within two (2) business days after receipt of either.

(e) Should a dispute arise between the Parties as to whether an Easement Document satisfies the criteria for release under subparagraph (a)(i) above, the Parties shall jointly select a neutral attorney with expertise in real property transactions to serve as mediator of the dispute and both Parties shall diligently pursue a resolution of such dispute in good faith. In the event that the Parties are unable to resolve such dispute within sixty (60) days following the delivery by the Objecting Party to the withdrawing of the notice of objection, either Party may pursue a claim in either the Fayette County or Westmoreland County Court of Common Pleas depending upon the location of the Easement that is the subject of the dispute.

6. Default & Remedies.

(a) It shall be a default of this Escrow Agreement if Seller shall fail to diligently pursue the delivery of all Easement Documents using commercially reasonable efforts and to transfer such interests to Buyer on or before the expiration of the Term (“Default”).

(b) In the event of a Default, Buyer may, at Buyer's sole discretion, after first providing written notice to Seller and a thirty (30) day cure period thereafter to Seller, undertake to obtain such easements on its own or file suit in a court of competent jurisdiction seeking specific performance in the form of an order requiring Seller to obtain all Easement Documents, including by way of the exercise of its power of eminent domain. Buyer and Seller acknowledge that the remedies at law for any breach or threatened breach, including monetary damages, may be inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of a bond with such remedy are waived by the Buyer and Seller.

(c) If Seller Defaults and Buyer elects to pursue a remedy under Paragraph 6(b) above, Buyer shall be entitled to recover from Seller all actual damages, including costs and reasonable attorneys' fees incurred in obtaining the outstanding easements or in bringing an action seeking specific performance of the terms of this Escrow Agreement. In the event Seller incurs a liability to Buyer under this Section 6(c), any amount distributed to Buyer pursuant to Section 5(c) above shall be applied as a credit to such amount owed by Seller to Buyer under this Section 6(c). The establishment of the amount of the Easement Escrow Fund shall not limit Buyer's right to recovery hereunder or under the Purchase Agreement.

7. Limitation of Escrow Agent's Liability.

(a) Limitation on Liability. The Escrow Agent shall incur no liability with respect to any action taken or suffered by it in reliance upon any notice, direction, instruction, consent, statement or other documents believed by it to be genuine and duly authorized, nor for other action or inaction, except its own willful misconduct or gross negligence. If any controversy arises between the Parties to this Escrow Agreement, or with any other Party, concerning the subject matter of this Escrow Agreement, its terms or conditions, the Escrow Agent will not be required to resolve the controversy or to take any action regarding it. The Escrow Agent may hold all documents and funds and may wait for settlement of any such controversy by final appropriate legal proceedings or by written agreement of Buyer and Seller. The Escrow Agent shall not be responsible for the sufficiency of this Escrow Agreement or any other agreement referred to herein. The Escrow Agent is not responsible for determining and verifying the authority of any person acting or purporting to act on behalf of any Party to this Escrow Agreement; provided, however, Escrow Agent shall use commercially reasonable efforts to ascertain whether or not such person has the requisite authority required to act on behalf of a Party. In all questions arising under this Escrow Agreement, the Escrow Agent may rely on the advice of counsel, and the Escrow Agent shall not be liable to anyone and shall be fully indemnified for anything done, omitted or suffered in good faith by the Escrow Agent based on such advice. The Escrow Agent shall not be required to take any action hereunder involving any expense unless the payment of such expense is made or provided for in a manner satisfactory to it in its sole judgment. In no event shall the Escrow Agent be liable for indirect, punitive, special or consequential damages (including, but not limited to lost profits), even if Escrow Agent has been advised of the likelihood of such damages or penalty and regardless of the form of action. Escrow Agent undertakes to perform only such duties as are expressly set forth herein and no duties shall be implied. Escrow Agent's permissive rights shall not be construed as duties. Escrow Agent shall have no liability under and no duty to inquire as to the provisions of any document other than this Escrow Agreement, including without limitation any other agreement between any or all of the Parties hereto or any other persons even though reference thereto may be made herein and whether or not a copy of such document has been provided to Escrow Agent. Escrow Agent shall not be responsible for

delays or failures in performance resulting from acts of God, strikes, lockouts, riots, acts of war or terror, epidemics, governmental regulations, fire, communication line failures, computer viruses, attacks or intrusions, power failures, earthquakes or any other circumstance beyond its control. Escrow Agent shall not be obligated to take any legal action in connection with the Escrow Fund, this Escrow Agreement or the Purchase Agreement or to appear in, prosecute or defend any such legal action. If any portion of the Escrow Fund is at any time attached, garnished or levied upon, or otherwise subject to any writ, order, decree or process of any court, or in case disbursement of the Escrow Fund is stayed or enjoined by any court order, Escrow Agent is authorized, in its sole discretion, to respond as it deems appropriate or to comply with all writs, orders, decrees or process so entered or issued, including but not limited to those which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction; and if Escrow Agent relies upon or complies with any such writ, order, decree or process, it shall not be liable to any of the parties hereto or to any other person or entity by reason of such compliance even if such order is reversed, modified, annulled, set aside or vacated. Notwithstanding the foregoing, Escrow Agent shall immediately provide written notice to Seller and Buyer if any portion of the Escrow Fund is at any time attached, garnished or levied upon, or otherwise subject to any writ, order, decree or process of any court, or, in case of disbursement of the Escrow Fund, is stayed or enjoined by any court order. Nothing herein shall preclude Escrow Agent from acting in any other capacity for any other Party hereto or for any other person or entity.

(b) Indemnification. Buyer and Seller agree jointly and severally to indemnify the Escrow Agent for, and hold it harmless against, any claim (whether asserted by Buyer, Seller or any other person or entity), loss, liability or expense incurred by the Escrow Agent except to the extent directly caused by gross negligence or willful misconduct on the part of the Escrow Agent (as determined by a court of competent jurisdiction), arising out of or in connection with its carrying out of its duties hereunder, and in connection therewith to indemnify the Escrow Agent, its directors, officers, partners, employees and agents against any and all expenses, including reasonable attorneys' fees and expenses and the cost of defending any action, suit or proceeding or resisting any claim or enforcing Buyer's or Seller's obligations under this Escrow Agreement. The obligations of Buyer and Seller under this Section shall survive any termination of this Escrow Agreement and the resignation or removal of Escrow Agent.

(c) Authority to Interplead. Buyer and Seller authorize the Escrow Agent, if a dispute exists with respect to any obligation of Escrow Agent hereunder or the Escrow Agent is threatened with litigation or is sued, to interplead all interested parties in any court located in Fayette County or Westmoreland County, Pennsylvania and to deposit the Escrow Fund with the clerk of that court after deduction and payment to the Escrow Agent of all its unpaid reasonable and actual expenses. In the event of any dispute, the Escrow Agent shall be entitled to petition a court of competent jurisdiction and shall perform any acts ordered by such court.

7. Successor Escrow Agents. The Escrow Agent may resign at any time upon giving at least thirty (30) days' written notice to Seller and Buyer and, after the date of such resignation notice, notwithstanding any other provision of this Escrow Agreement, Escrow Agent's sole obligation will be to hold the Escrow Fund pending appointment of a successor Escrow Agent. Similarly, Escrow Agent may be removed at any time by Buyer and Seller giving at least thirty (30) days' prior written notice to Escrow Agent specifying the date when such removal shall take effect. No such resignation or removal shall become effective until the appointment of a successor escrow agent, which shall be accomplished as follows: Buyer and the Seller shall use their commercially reasonable efforts to

mutually agree on a successor escrow agent within thirty (30) days after receiving such notice. If the parties fail to agree upon a successor escrow agent within such time, the Escrow Agent may petition a court of competent jurisdiction to appoint a successor escrow agent, and all costs and expenses related to such petition shall be paid jointly and severally by Buyer and Seller. The successor escrow agent shall execute and deliver an instrument accepting such appointment and it shall, without further acts, be vested with all the estates, properties, rights, powers, and duties of the predecessor escrow agent as if originally named as escrow agent. Upon appointment of a successor escrow agent, and payment of the Escrow Fund to the successor escrow agent, after deduction and payment to the retiring Escrow Agent of all reasonable and actual expenses payable to, incurred by, or expected to be incurred by the retiring Escrow Agent in connection with the performance of its duties and the exercise of its rights hereunder, the Escrow Agent shall be discharged from any further duties and liability under this Escrow Agreement. After Escrow Agent's resignation or removal, the provisions of this Escrow Agreement shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Escrow Agent under this Escrow Agreement.

8. Further Instruments. If the Escrow Agent reasonably requires other or further instruments in connection with its performance of its duties, the necessary parties hereto shall join in furnishing such instruments.

9. Termination. This Escrow Agreement shall terminate upon the earlier of expiration of the Term or such time as no funds remain in the Easement Escrow Fund due to distribution in accordance with Section 4 of this Escrow Agreement.

10. Waiver & Other Remedies. The rights and remedies herein reserved to Buyer or Seller are cumulative and not alternative.

11. Compensation of Escrow Agent. The Escrow Agent shall not be compensated or charge fees for acting as Escrow Agent, but shall be reimbursed by the Parties for reasonable expenses actually paid to third parties and incurred for service as Escrow Agent only, subject to reasonable substantiation of such expenses.

12. General.

(a) Notices. All notices, requests, claims and other communications under this Escrow Agreement shall be in writing, shall state specifically that they are being given pursuant to this Escrow Agreement and shall be addressed as follows:

if to the Buyer, to:

Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
Attention: President

with a copy to:

Pennsylvania-American Water Company
852 Wesley Drive

Mechanicsburg, PA 17055
Attention: General Counsel

if to the Seller, to:

Indian Creek Valley Water Authority
P.O. Box 486
Indian Head, PA 15446
Attn: Chairman

with copies to:

Timothy J. Witt, Esq.
Watson Mundorff, LLP
720 Vanderbilt Rd.
Connellsville, PA 15425

if to the Escrow Agent, to:

[ESCROW AGENT AND ESCROW AGENT ADDRESS]

or such other person as a Party may from time to time designate by notice to the other Parties. A notice or other communication or approval is deemed to have been sent and received after ordinary business hours (time or place of receipt), the notice, other communication or approval is deemed to have been sent and received on the next business day or (ii) on the fourth business day after mailing if sent by United States registered or certified mail. Any notice addressed to the Escrow Agent shall be effective only upon receipt.

(b) Headings. The article, section and paragraph headings in this Escrow Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Escrow Agreement.

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

(d) Entire Agreement. This Escrow Agreement, including the relevant provisions of the Purchase Agreement pertaining to the parties' rights and obligations regarding the Missing Easements, constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, discussions and understandings, written or oral, between the Parties. There are no representations, warranties, conditions or other agreements, whether direct or collateral, or express or implied, that form part of or affect this Agreement, or that induced any Party to enter into this Escrow Agreement or on which reliance is placed by any Party, except as specifically set forth in this Escrow Agreement. The Parties acknowledge and agree that (i) each has substantial business experience and is fully acquainted with the provisions of this Escrow Agreement, (ii) the provisions and language of this Escrow Agreement have been fully negotiated and (iii) no provision of this Escrow Agreement shall be construed in favor of any Party or against any

Party by reason of such provision of this Escrow Agreement having been drafted on behalf of one Party rather than the other Party.

(e) Amendments; Waivers. This Escrow Agreement may be amended, changed or supplemented only by a written agreement signed by the Parties. Any waiver of, or consent to depart from, the requirements of any provision of this Escrow Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Escrow Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

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

(g) Anti-Assignment; Successors and Assigns. This Escrow Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and assigns; provided, however, that no Party may assign any of its rights or delegate any of its duties under this Escrow Agreement without the prior written consent of the other Party hereto and any attempted assignment or delegation without prior written consent shall be void and of no force or effect.

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

ESCROW AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

(i) Specific Performance. The Parties agree that irreparable damage would occur if any provision of this Escrow Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity if the other Party has performed in accordance with the terms hereof.

(j) Counterparts; E-Mail/Facsimile; Execution. This Escrow Agreement may be executed in any number of counterparts which, taken together, shall constitute one and the same agreement. This Escrow Agreement shall be effective when it has been executed by each Party and delivered to all Parties. To evidence the fact that it has executed this Escrow Agreement, a Party may send a copy of its executed counterpart to the other Party by electronic mail or facsimile transmission. Such Party shall be deemed to have executed and delivered this Escrow Agreement on the date it sent such electronic mail or facsimile transmission. In such event, such Party shall forthwith deliver to the other Party an original counterpart of this Escrow Agreement executed by such Party.

(k) To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity, Escrow Agent requires documentation to verify its formation and existence as a legal entity. Escrow Agent may require financial statements, licenses or identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation. Buyer and Seller agree to provide all information requested by Escrow Agent in connection with any legislation or regulation to which Escrow Agent is subject, in a timely manner. Escrow Agent's appointment and acceptance of its duties under this Escrow Agreement is contingent upon verification of all regulatory requirements applicable to Buyer, Seller and any of their permitted assigns, including successful completion of a final background check. These conditions include, without limitation, requirements under the USA Patriot Act, the USA FREEDOM Act, the Bank Secrecy Act, and the U.S. Department of the Treasury Office of Foreign Assets Control. If these conditions are not met, Escrow Agent may at its option promptly terminate this Escrow Agreement in whole or in part, and refuse any otherwise permitted assignment by Buyer or Seller, without any liability or incurring any additional costs.

13. Representations and Warranties. Buyer and Seller each respectively make the following representations and warranties to Escrow Agent:

(a) it has full power and authority to execute and deliver this Escrow Agreement and to perform its obligations hereunder; and this Escrow Agreement has been duly approved by all necessary action and constitutes its valid and binding agreement enforceable in accordance with its terms.

(b) each of the applicable persons designated on **Exhibit "C"** attached hereto has been duly appointed to act as its authorized representative hereunder and individually has full power and authority on its behalf to execute and deliver any instruction or direction, to amend, modify or waive any provision of this Escrow Agreement and to take any and all other actions as its authorized representative under this Escrow Agreement and no change in designation of such authorized

representatives shall be effective until written notice of such change is delivered to each other Party to this Escrow Agreement pursuant to Section 13(b) and Escrow Agent has had reasonable time to act upon it.

(c) the execution, delivery and performance of this Escrow Agreement by Escrow Agent does not and will not violate any applicable law or regulation and no printed or other material in any language, including any prospectus, notice, report, and promotional material or the rights, powers, or duties of Escrow Agent under this Escrow Agreement shall be issued by any other parties hereto, or on such Party's behalf, without the prior written consent of Escrow Agent.

(d) it will not claim any immunity from jurisdiction of any court, suit or legal process, whether from service of notice, injunction, attachment, execution or enforcement of any judgment or otherwise.

14. Security Procedures. In the event instructions, including funds transfer instructions, address change or change in contact information are given to Escrow Agent (other than in writing at the time of execution of this Escrow Agreement), whether in writing, by facsimile or otherwise, Escrow Agent is authorized but shall not be required to seek confirmation of such instructions by telephone call-back to any person designated by the instructing Party on "**Exhibit C**" hereto, and Escrow Agent may rely upon the confirmation of anyone purporting to be the person so designated. The persons and telephone numbers for call-backs may be changed only in writing actually received and acknowledged by Escrow Agent and shall be effective only after Escrow Agent has a reasonable opportunity to act on such changes. Buyer and Seller agree that Escrow Agent may at its option record any telephone calls made pursuant to this Section. Escrow Agent in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by Buyer or Seller to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank so designated. Buyer and Seller acknowledge that these optional security procedures are commercially reasonable.

15. Tax Reporting. Escrow Agent shall have no responsibility for the tax consequences of this Escrow Agreement and Buyer and Seller shall consult with independent counsel concerning any and all tax matters. Buyer and Seller jointly and severally agree to (a) assume all obligations imposed now or hereafter by any applicable tax law or regulation with respect to payments or performance under this Escrow Agreement and (b) request and direct the Escrow Agent in writing with respect to withholding and other taxes, assessments or other governmental charges, and advise the Escrow Agent in writing with respect to any certifications and governmental reporting that may be required under any applicable laws or regulations. Except as otherwise agreed by Escrow Agent in writing, Escrow Agent has no tax reporting or withholding obligation except with respect to Form 1099-B reporting on payments of gross proceeds under Internal Revenue Code Section 6045 and Form 1099 and Form 1042-S reporting with respect to investment income earned on the Escrow Fund, if any. To the extent that U.S. federal imputed interest regulations apply, Buyer and Seller shall, no later than 5 Business Days after the effective date of this Escrow Agreement, so inform the Escrow Agent, provide the Escrow Agent with all imputed interest calculations and direct the Escrow Agent to disburse imputed interest amounts as Buyer and Seller deem appropriate. The Escrow Agent shall rely solely on such provided calculations and information and shall have no responsibility for the accuracy or completeness of any such calculations or information. Buyer and Seller shall provide Escrow Agent a properly completed IRS Form W-9 or Form W-8, as applicable, for each payee. If requested tax

documentation is not so provided, Escrow Agent is authorized to withhold taxes as required by the United States Internal Revenue Code and related regulations. Buyer and Seller have determined that any interest or income on the Escrow Fund shall be reported on an accrual basis and deemed to be for the account of Seller.

Signature page follows.

IN WITNESS WHEREOF, each of the parties hereto has executed this Escrow Agreement as of the date first above written.

BUYER:

**PENNSYLVANIA-AMERICAN
WATER COMPANY**

Name:
Title:

SELLER:

**INDIAN CREEK VALLEY WATER
AUTHORITY**

Name:
Title:

ESCROW AGENT:

[_____]

Name:
Title:

Exhibit A
MISSING EASEMENTS

Exhibit B

FORM OF EASEMENT TEMPLATE

Prepared By & Return To:

[]

[Westmoreland/Fayette] County Tax Parcel Number:

DEED OF EASEMENT

THIS DEED OF EASEMENT is made this [] day of [], 20[] by and between [Grantor], having a mailing address of [address] (the "Grantor"), and PENNSYLVANIA-AMERICAN WATER COMPANY, a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, having a business address of 852 Wesley Drive, Mechanicsburg, Pennsylvania 17055(the "Grantee").

RECITALS

WHEREAS, Grantee owns and operates the water system (the "System"), which provides sewer service to various customers in the Saltlick, Springfield, Bullskin, Connellsville, and Stewart Townships and Ohiopyle Borough in Fayette County; and Donegal Borough, and Donegal and Mount Pleasant Townships in Westmoreland County in the Commonwealth of Pennsylvania.

WHEREAS, certain underground water lines owned by Grantee (the "Water Lines") are situated within the real property owned by the Grantor described on **Exhibit "A"** attached hereto (the "Property") which were never the subject of an instrument that was recorded in the [Westmoreland/Fayette] County Recorder of Deeds office.

WHEREAS, the parties wish to document Grantee's rights to own, operate, maintain and replace the Water Lines with the boundaries of the Property.

NOW, THEREFORE, the said Grantor, for and in consideration of the sum of Ten and 00/100 Dollars (\$10.00), lawful money of the United States of America, unto it well and truly paid by Indian Creek Valley Water Authority (as predecessor to Grantee as owner of the Sewer Lines) on behalf of the said Grantee, at or before the sealing and delivery hereof, the receipt of whereof is hereby acknowledged, by these presents hereby does grant, convey, bargain and sell, alien, enfeoff, release and confirm unto the said Grantee, its respective successors, and assigns forever, a permanent and perpetual, non-exclusive easement for access, ingress, egress and

regress to the Water Lines, and for using, operating, altering, inspecting, repairing, removing, improving, replacing, maintaining and installing the Water Lines, as they exist or may be installed and exist in the future on the real estate described on **Exhibit "B"** (the "Easement Area").

TOGETHER WITH the right to use, repair, remove, reconstruct and reinstall the Water Lines, the right to access such facilities, and the right to make excavations and trim or remove trees, brush, undergrowth, landscaping and other obstructions in the exercise of the foregoing rights.

THE EASEMENT GRANTED HEREIN are permanent and perpetual and are covenants running with the lands burdened by the easement described in this Deed of Easements.

TO HAVE AND TO HOLD this Deed of Easement with the sewer system improvements thereon installed and erected, hereditaments and premises hereby granted, or mentioned and intended so to be, with appurtenances, all and singular and the rights, liberties, privileges, above-described, unto the said Grantee, its successors and assigns forever.

AND THE SAID GRANTOR, for itself, its successor and assigns, does by these presents covenant, promise, grant and agree, to and with the Grantee, its successors and assigns, by these presents, that it, the said Grantor and its successors and assigns, all and singular the hereditaments, premises, and land hereby described and granted, or mentioned and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, against them the said Grantor and its successors and assigns, and against all and every person and persons whomsoever lawfully claiming or to claim the same or any part thereof, by, from or under it, them or any of them, shall and will WARRANT and forever DEFEND.

This Deed of Easement and all of the covenants herein contained shall inure to the benefit of, and shall be binding upon the Grantor, its successors and assigns, and Grantee, its successors and assigns.

*[Signature page to
follow]*

IN WITNESS WHEREOF, Grantor has duly executed this instrument as of the above written date.

GRANTOR:

By: _____

I hereby certify that the address of the
within named Grantee is:

Pennsylvania-American Water Company 852
Wesley Drive
Mechanicsburg, PA 17055

On behalf of said Grantee

***SIGNATURE PAGE FOR DEED OF
EASEMENT***

COMMONWEALTH OF PENNSYLVANIA :
: SS
COUNTY OF [FAYETTE/WESTMORELAND] :

On this day of , 20____, before me, the undersigned officer, personally appeared **[Grantor]**, who, known to me or satisfactorily proven, acknowledged himself to be the person who executed the foregoing instrument for the purposes therein contained.

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

Notary Public

My commission expires on:

Exhibit A: Legal description for fee interest in Property

Exhibit B: Legal description of Easement Area

Exhibit C

AUTHORIZED PERSONS

EXHIBIT C

Form of Opinion of Seller's Counsel

[COUNSEL LETTERHEAD]

[DATE]

Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055

Ladies and Gentlemen:

I have acted as counsel for Indian Creek Valley Water Authority, a municipal authority organized and existing under the laws of the Commonwealth (“**Seller**”) and in connection with the execution and delivery by the Seller of the Asset Purchase Agreement dated May 30, 2025, between the Seller and Pennsylvania-American Water Company (“**Buyer**”), a Pennsylvania corporation (the “**Purchase Agreement**”). This opinion is delivered to you pursuant to Paragraph 3.1(a)(xi) of the Purchase Agreement. All capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Purchase Agreement unless otherwise noted.

In connection with the opinions expressed below, I have made such examination of law and have examined originals, or copies certified or otherwise identified to my satisfaction, of the Purchase Agreement and all other agreements and instruments related to the Purchase Agreement to which the Seller is a party (the “**Transaction Documents**”), and such documents and records of the Seller, certificates of public officials and of officers of the Seller, and such other documents as I have deemed necessary or appropriate.

Based upon and subject to the foregoing, it is my opinion that as of the date hereof:

1. The Seller is a duly organized municipal authority of the Commonwealth of Pennsylvania, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, and the Seller has the full power and lawful authority to operate the System and the Assets as now operated and to transfer to Buyer the rights, title and interest in and to the Assets.

2. The Seller has the full power and lawful authority to enter into the Purchase Agreement and the Transaction Documents and to consummate and perform the transactions contemplated by the Purchase Agreement and the Transaction Documents. The Seller has duly and validly authorized the execution, delivery and performance of the Purchase Agreement and the Transaction Documents by all necessary proceedings, and the Purchase Agreement and each of the Transaction Documents constitute the valid and binding obligations of the Seller enforceable against it in accordance with their respective terms. The Purchase Agreement and each of the Transaction Documents have been duly and validly executed and delivered.

3. No filings or registrations with, notifications to, or authorizations, consents,

orders or approvals of, a governmental authority or third party are required to be obtained or made by the Seller in connection with the execution, delivery or performance by the Seller of the Purchase Agreement or any of the Transaction Documents, or the consummation by the Seller of the transactions contemplated thereby, except those which have been obtained on or prior to the date hereto. Neither the contemplated transactions, nor this Agreement or any of the Transaction Documents will result in the creation of any Encumbrance against any of the Assets.

4. The execution, delivery and performance of, and compliance with, the Purchase Agreement and the Transaction Documents do not violate any law, ordinance or regulation, do not conflict with, to my knowledge, any judgment, order or decree, and do not conflict with or result in a breach of or default under any contract, lease or Permit to which the Seller is a party or is otherwise bound or affected, or by which the Assets may be bound or affected. The execution and delivery of the Purchase Agreement and the Transaction Documents, and the consummation of the transactions contemplated thereby, do not violate, conflict with or result in the breach of, or constitute a default under, any term, condition or provision of the Seller's articles of incorporation, bylaws or other governing documents, or any instrument, contract, lease, agreement, Permit, certificate or other document to which the Seller is a party or is otherwise bound or affected, or by which the Assets may be bound or affected.

5. To my knowledge, the Seller is not party to, or subject to the provision of, any material judgment, order, writ, injunction, notice or decree of any court or of any governmental official, agency or instrumentality relating to the System or the Assets.

6. Except as disclosed in the Purchase Agreement, there is no action, suit, claim or litigation, arbitration, proceeding, judgment, injunction, audit or legal, administrative or governmental investigation pending (including any citations, notices, summons or orders), and to my knowledge none are threatened against, pertaining to or affecting the System or any of the Assets (including any such actions, litigation and other claims against the Seller) before any court, arbitrator or governmental authority (including any governmental agency board or instrumentality), nor is there any order, writ, injunction or decree of any court, arbitrator or governmental authority, in existence against, pertaining to or affecting the Seller (including its commissioners, directors or officers), the System or any of the Assets, or which would reasonably be expected to prevent or materially interfere with or delay the Seller's ability to perform its obligations under the Purchase Agreement or any of the Transaction Documents.

Sincerely,

EXHIBIT D

Certification of Financial Information

CERTIFICATE AS TO DEBT, CONTRIBUTIONS
AND ADDITIONS AND RETIREMENTS

The undersigned office of Indian Creek Valley Water Authority, (the “**Seller**”), with regard to the Asset Purchase Agreement dated May 30, 2025 (the “**Agreement**”) by and among the Seller and Pennsylvania-American Water Company (“**PAWC**”), as Buyer, for the sale of the Seller’s sewer system, hereby certifies that:

1. The amount of the Seller’s net outstanding long-term debt or notes related to the Water System is \$_____.
2. The amount of all unexpired customers’ advances for construction and unexpected contributions in aid of construction is \$_____ for the Water System.
3. The additions or retirements to the Water System during the period [date of Agreement] through the date of this Certificate, together with the cost thereof, are: \$_____.

All of the foregoing statements are true and correct as of the _ day of _____, 20__.

ATTEST:

INDIAN CREEK VALLEY WATER
AUTHORITY

(SEAL)

APPENDIX 1
DEFINITIONS

“**Agreement**” has the meaning provided in the Introduction.

“**Applicable Law**” means (1) any federal, state or local law, code or regulation; (2) any formally adopted and generally applicable rule, requirement, determination, standard, policy, or implementation schedule of any Governmental Authority having jurisdiction; (3) any established interpretation of law or regulation utilized by a Governmental Authority if such interpretation is documented by such Governmental Authority and generally applicable; (4) any Permit; and (5) any order; in each case having the force of law and applicable to the design, improvement, operation, maintenance, repair or performance of the System and the management of residuals.

“**Assets**” means all of the assets, properties and rights of Seller (whether tangible, intangible, real, personal or mixed) that are held or used in connection with the System, but excluding the Excluded Assets.

“**Assigned Contracts**” has the meaning provided in **Section 5.1(c)**.

“**Assignment of Contracts Agreement**” has the meaning provided in **Section 3.1(a)(i)**.

“**Authority Escrow**” has the meaning provided in **Section 10.4(a)**.

“**Base Rate**” has the meaning provided in **Section 6.1(j)**.

“**Claims or Damages**” means any loss, demand, claim, suit, action, assessment, damage, liability, cost, expense, fine, penalty, judgment, award or settlement, whether or not involving a Governmental Authority or third party claim, including related fees and costs, interest, and any amounts paid in investigation, defense or settlement of any of the foregoing. Except as specifically provided in this Agreement, “Claims or Damages” does not include, and neither party will be liable for, any loss of profit and any other incidental, consequential, exemplary, or punitive damages, including, without limitation, lost profits, lost productions or lost revenues, except to the extent such damages are awarded and actually paid to a third party.

“**Closing**” has the meaning provided **Section 3.1**.

“**Closing Date**” has the meaning provided **Section 3.1**.

“**Code**” means the Internal Revenue Code, 26 U.S.C. § 1 et seq.

“**Contract**” has the meaning provided in **Section 4.1(k)**.

“**Creator Municipalities**” means Saltlick Township and Springfield Township.

“**DEP**” means the Pennsylvania Department of Environmental Protection or any successor agency thereto.

“**Effective Date**” has the meaning provided in the Introduction.

“**Encumbrances**” has the meaning provided in **Section 1.1**.

“**Environmental Laws**” means all federal, state, and local laws and regulations relating to protection of the environment or natural resources, including the Clean Water Act, also known as the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq. (“**CWA**”), the Federal Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 et seq., the Safe Drinking Water Act, 42 U.S.C. §§ 300(f) et seq., the Surface Mining Control and Reclamation Act, 30 U.S.C. §§ 1201 et seq., the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Superfund Amendment and Reauthorization Act of 1986, Public Law 99-499, 100 Stat. 1613, the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 (“**RCRA**”), the Atomic Energy Act of August 30, 1954, Ch. 1073, 68 Stat. 919 (codified as amended in scattered sections of 5 U.S.C. and 42 U.S.C.), counterpart state laws, and the regulations adopted pursuant thereto. Any reference to a legislative act or regulation shall be deemed to include all amendments thereto and all regulations, orders, decrees, judgments, opinions directives or notices issued thereunder.

“**Escrow Agent**” has the meaning provided in **Section 10.4**.

“**Escrow Agreement**” has the meaning provided in **Section 10.4(a)**.

“**Excluded Assets**” has the meaning provided in **Section 1.4**.

“**Extension Deposit Agreement**” has the meaning provided in **Section 4.1(t)**.

“**GAAP**” means generally accepted accounting principles consistently applied.

“**Governmental Authority**” means as any federal, state, county, municipal, or regional legislative, executive, judicial or other governmental board, agency, authority, commission, administration, court or other body, or any official thereof, having jurisdiction.

“**Hazardous Waste**” means any hazardous waste as defined under the federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 *et seq.*, and 40 C.F.R. Part 261.

“**Indemnified Party**” has the meaning provided in **Section 10.5**.

“**Indemnifying Party**” has the meaning provided in **Section 10.5**.

“**Missing Easement**” has the meaning provided in **Section 4.1(l)(vii)**.

“**Missing Easement Escrow**” has the meaning provided in **Section 10.4(a)**.

“**Missing Easement Work**” has the meaning provided in **Section 10.4(a)**.

“**New Rates**” has the meaning provided in **Section 6.7**.

“**NPDES**” means the National Pollutant Discharge Elimination System.

“**NPDES Permit**” has the meaning provided in the Recitals.

“**Outstanding Indebtedness**” has the meaning provided in **Section 2.4**.

“**PAWC**” has the meaning provided in the Introduction.

“**PAWC Indemnified Parties**” has the meaning provided in **Section 10.1**.

“**Permits**” has the meaning provided in **Section 4.1(q)**.

“**Personnel**” means those individuals listed in **Schedule 7.1**.

“**PUC**” means the Pennsylvania Public Utility Commission or any successor agency thereto.

“**Purchase Price**” has the meaning provided in **Section 2.1**.

“**Request for Disbursement**” has the meaning provided in **Section 10.4(a)**.

“**Resolutions**” has the meaning provided in **Section 2.1(a)(ii)**.

“**Retained Accounts Receivable**” has the meaning provided in **Section 4.1(g)**.

“**Seller**” has the meaning provided in the Introduction.

“**Seller Successor Agent**” has the meaning provided in **Section 12.2(ii)**.

“**Seller’s Benefit Obligations**” means all material obligations, arrangements, or practices, whether or not legally enforceable, to provide benefits, other than salary or wages to present or former directors, employees or agents, (other than obligations, arrangements and practices that are Seller’s Plans), that are owed, adopted or followed by Seller. Seller’s Benefit Obligations also include consulting agreements under which the compensation paid does not depend upon the amount of service rendered, sabbatical policies, severance payment policies and fringe benefits within the meaning of Code § 132.

“**Seller’s Plans**” means each voluntary employees’ beneficiary association under Section 501(c)(9) of the Code whose members include any Personnel and any employee benefit plans or any other retirement, pension, profit sharing, stock option, other post-employment benefits (OPEB) stock bonus, deferred compensation (including any “nonqualified deferred compensation plan” within the meaning of Section 409A of the Code), severance, sick leave or other material plan or arrangement providing benefits to current or former Personnel, in each case, if either currently in effect or terminated within the last six (6) years, to which Seller is a plan sponsor or to which Seller otherwise contributes or has contributed within the last six (6) years, or in which Seller otherwise participates or has participated within the last six (6) years.

“**Substantial Completion**” means the project is fit for its intended use and that the project engineer has certified that the conditions for Substantial Completion have been satisfied.

“**System**” has the meaning provided in the Recitals.

“**Tariff**” has the meaning provided in the Recitals.

“**Transferred Personnel**” means the personnel who accept PAWC’s offer of employment and commence employment on the Closing Date.

Schedule 1.0

Service Area Map

SEE ATTACHED

Schedule 1.4

List of Excluded Assets

1. Private, personal property of Authority employees (not Authority assets)

Schedule 2.4

Seller Outstanding Indebtedness

Pennvest III - Stewart Twp	\$(319,446.68)
Pennvest IV - Springs SS FP	\$(360,160.07)
PNC to SB&T 6/2017 - Const. #51002315	\$(104,223.16)
SB & T Mill Property #51002317	\$(508,048.43)
Clinton Sister Tank - #47977954	\$(740,017.86)
SB & T Water Office #500233036	\$(245,382.38)
Outstanding balances on regular accounts payable	Unknown

Schedule 3.1(a)

Seller Closing Deliveries

1. Pennsylvania Public Utility Commission (“PaPUC”) Approval of Transaction
2. DEP Approval of Permit Transfers
3. Consent to Assign Contracts
4. Opinion of Seller’s Counsel
5. Certification of Financial Information
6. Escrow Agreement

Schedule 3.1(b)

PAWC Closing Deliveries

1. Pennsylvania Public Utility Commission (“PaPUC”) Approval of Transaction
2. DEP Approval of Permit Transfers
3. PAWC Board of Directors Resolutions

Schedule 4.1(b)

Assets Subject to Leasehold Interest

1. Mill Run Treatment Plant (and corresponding water allocation) - Agreement with MAWC dated December 3, 1973 (Record Book Volume 1198, Page 1106)
2. Chlorination Plant Real Estate – Lease with Leatham, et al., dated November 8, 1977 (Record Book Volume 1227, Page 881) – but see Deed from Leatham, et al., dated May 6, 1995, and recorded in Record Book Volume 1569, Page 255.

Schedule 4.1(i)

Undisclosed Liabilities

None.

Schedule 4.1(k)

List of Contracts

1. Agreements with Ohiopyle Borough (Rights of First Refusal; Collection Service Agreement)
2. Agreement with Donegal Township (4/13/1995)
3. Agreement with Donegal Borough (undated)
4. Agreement with Mount Pleasant Township (4/17/1995)
5. Agreement with Pleasant Valley Water Authority
6. Water Main Extension Project Agreement with Pennsylvania Department of Environmental Protection
7. McKee Extension Agreement
8. Hopewell Road Grant Agreement (prospective)
9. Bureau of Acid Mine Reclamation Pine Slopes Grant Agreement (prospective)
10. Harris Road Grant Agreement (prospective)
11. MAWC Mill Run Plant Agreement (12/3/1973)
12. Agreement with TP Automation/TP Electric (SCADA System)
13. Agreement with RJM (Clinton Sister Tank Project Agreement)
14. PennDOT Utility Line Relocation Agreements
15. Product/Services Warranties
16. Deeds, Easements, Rights-of-Way, and Agreements for Real Estate in Fayette County, Pennsylvania: see attached documents.
17. Deeds, Easements, Rights-of-Way, and Agreements for Real Estate in Westmoreland County, Pennsylvania: see attached documents.
18. Unrecorded water line extension agreements (including easements and/or rights of way).

Schedule 4.1(k)(i)

Refund Arrangements

1. Deposit account for tenant-occupied property customers (deposits to open new accounts – deposits are refundable to customers).
2. Customers paying regular account payments in advance and carrying account credit.
3. McKee Extension Agreement.
4. Prior developer extension agreements (all being terminated and/or expired for ten (10) years or more).

Schedule 4.1(l)(i)

Rights in Real Property and Leases

1. Deeds, Easements, Rights-of-Way, and Agreements for Real Estate in Fayette County, Pennsylvania: see attached documents.
 2. Deeds, Easements, Rights-of-Way, and Agreements for Real Estate in Westmoreland County, Pennsylvania: see attached documents.
 3. Unrecorded water line extension agreements (including easements and/or rights of way).
- Note reversionary/reverter/reconveyance clauses in instruments at:
 - Deed Book Volume 1054, Page 127
 - Record Book Volume 60, Page 127
 - Record Book Volume 729, Page 197

Grantor(s)	Grantee	Inst Type	Book / Page	Document Date
Indian Creek Coal & Coke Company	Indian Head Mutual Water System	Deed	800 / 11	7/1/1952
Eastern Associated Coal Corp.	Indian Creek Valley Water Authority	Deed	1054 / 127	12/4/1967
Eastern Associated Coal Corp.	Indian Creek Valley Water Authority	Deed	1054 / 131	6/7/1967
Municipal Authority of Westmoreland County	Indian Creek Valley Water Authority	Lease Agreement	1198 / 1106	9/28/1973
Bette J. Shaffer	Indian Creek Valley Water Authority	Deed	1321 / 32	5/25/1983
American Telephone and Telegraph Co.	Indian Creek Valley Water Authority	Deed of Easement	1339 / 573	5/18/1984
Edward E. and Frances L. Nicholson	Indian Creek Valley Water Authority	ROW Agreement	22/172	12/31/1984
Donald L. and Cleo L. Henry	Indian Creek Valley Water Authority	ROW Agreement	22 / 174	12/31/1984
Gary Ranker	Indian Creek Valley Water Authority	ROW Agreement	22/176	12/31/1984
Thomas Soberdash	Indian Creek Valley Water Authority	ROW Agreement	22/178	12/31/1984
Elsley K. Witt & Margaret A. Witt	Indian Creek Valley Water Authority	ROW Agreement	22/180	12/31/1984
Indian Head Mutual Water System	Indian Creek Valley Water Authority	Agreement	60/209	10/22/1973
John H. Clark and Teresa L. Clark; David E. Clark and Teresa L. Clark	Indian Creek Valley Water Authority	Deed of Easement	80/73	4/29/1987
Darthea Speyer	Indian Creek Valley Water Authority	Deed of Right-of-Way	435/42	5/9/1988
Haseltine Hills, Inc.	Indian Creek Valley Water Authority	Deed of Right-of-Way	435/48	3/31/1988
Seven Springs Farm, Inc.	Indian Creek Valley Water Authority	Deed of Right-of-Way	435/55	4/18/1988
Seven Springs Farm, Inc.	Indian Creek Valley Water Authority	Deed of Right-of-Way	435/62	4/18/1988
Robert Prinkey	Indian Creek Valley Water Authority	Deed of Right-of-Way	550/195	4/18/1989
L & J Equipment Co.	Indian Creek Valley Water Authority	Deed of Right-of-Way	551/200	5/4/1989
Robert C. May and Kathleen May; and Charles May and Jane S. May	Indian Creek Valley Water Authority	Deed of Right-of-Way	741/302	9/25/1990
J. Robert Fullem and Maree Fullem	Indian Creek Valley Water Authority	Deed of Right-of-Way	759/219	11/5/1990
Calvin Pletcher and Emmalou Pletcher	Indian Creek Valley Water Authority	Deed of Right-of-Way	764/142	10/22/1990
Alan Lee Blosser and Barbara Blosser	Indian Creek Valley Water Authority	Deed of Right-of-Way	787/330	1/1/1991
Harold Shepler and Susan Marie Shepler	Indian Creek Valley Water Authority	Deed of Right-of-Way	801/327	1/10/1991
Clarence H. Herwick and Margaret M. Herwick	Indian Creek Valley Water Authority	Deed of Right-of-Way	828/107	5/18/1991
Wanna Mae Miller	Indian Creek Valley Water Authority	Deed of Right-of-Way	563/36	5/5/1995
RAS Development Corporation	Indian Creek Valley Water Authority	Deed of Right-of-Way	563/41	5/2/1995
Brad D. Ream and Melinda Z. Ream	Indian Creek Valley Water Authority	Deed of Right-of-Way	563/47	5/5/1995
Michael Tomko and Dolores Tomkko	Indian Creek Valley Water Authority	Deed of Right-of-Way	1563/52	6/7/1995
Brad D. Ream and Melinda Z. Ream	Indian Creek Valley Water Authority	Deed of Right-of-Way	1563/57	5/5/1995
Huch Ynne, LTD.	Indian Creek Valley Water Authority	Deed of Right-of-Way	1563/62	5/5/1995
Elsley k Witt and Margaret A. Witt	Indian Creek Valley Water Authority	Right-of-Way Agreement	2146/124	12/31/1984
William W. & Dorothy S. Blohme	Indian Creek Valley Water Authority	Deed of Easement	2146/126	10/4/1996
Norman C. Koehler	Indian Creek Valley Water Authority	Deed of Easement	2146/129	10/7/1996
John M. & Georgetta A Kamecher	Indian Creek Valley Water Authority	Deed of Easement	2146/132	9/24/1996

Martin D & Diane Yurchison	Indian Creek Valley Water Authority	Deed of Easement	2146/135	9/24/1996
Bradley D. & Susan Rodeheaver	Indian Creek Valley Water Authority	Deed of Easement	2146/138	9/6/1996
Thomas J Tindall Sr. TRUST	Indian Creek Valley Water Authority	Deed of Easement	2146/141	8/15/1996
Aldo Castelli	Indian Creek Valley Water Authority	Contract Agreement	2146/144	4/27/1987
Philip Scarola, Jr. and Angela Scarola	Indian Creek Valley Water Authority	Deed of Easement	2218/253	11/11/1998
Paul Phillips and Melodie Phillips	Indian Creek Valley Water Authority	Deed of Easement	2218/256	11/12/1998
Roy W. Stout	Indian Creek Valley Water Authority	Deed of Easement	2423/336	8/19/1999
Wade Savage Jr.	Indian Creek Valley Water Authority	Deed in Lieu of Foreclosure	2456/339	11/18/1999
Dorothy Hepler	Indian Creek Valley Water Authority	Deed of Easement	2519/278	4/26/2000
Lawrence Chearney, Harry Fabian, and David Hayes, Trustees of the Church of the Brethren of Indian Creek Congregation	Indian Creek Valley Water Authority	Deed of Right-of-Way	2764/278	2/22/2001
Paul L. Bryner and Colleen Bryner	Indian Creek Valley Water Authority	Deed of Right-of-Way	2764/284	3/12/2001
Charles Keslar	Indian Creek Valley Water Authority	Deed of Right-of-Way	2764/288	3/13/2001
Jeannett Locke and John Wellman; Leisel Lengyel and Dale Lengyel	Indian Creek Valley Water Authority	Deed of Right-of-Way	2764/298	5/24/2001
William C. Scarlett and Olive R. Scarlett	Indian Creek Valley Water Authority	Deed of Right-of-Way	2834/126	9/10/2002
Western Pennsylvania Conservancy	Indian Creek Valley Water Authority	Deed of Right-of-Way	2834/1563	9/6/2002
J. W. Secrist Jr.	Indian Creek Valley Water Authority	Deed of Right-of-Way	2851/1164	1/17/2003
Linda M. Goodwin	Indian Creek Valley Water Authority	Deed of Right-of-Way	2851/1169	1/16/2003
Connie E. Holst	Indian Creek Valley Water Authority	Deed of Right-of-Way	2851/1174	1/16/2003
Ralph E. Hay Marie M. Hay	Indian Creek Valley Water Authority	Deed of Right-of-Way	2877/1113	9/3/2003
James T. Nassida and Tina Nassida	Indian Creek Valley Water Authority	Deed of Easement	3053/1258	1/8/2008
Tracie Pletcher	Indian Creek Valley Water Authority	Deed of Easement	3053/1261	1/8/2008
Martin D. Yurchison and Diane L. Yurchison	Indian Creek Valley Water Authority	Deed of Easement	3053/1264	1/8/2008
Marcia L. Ainsley	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking	3319/767	9/13/2016
Robert P. Miller	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking	3319/770	9/13/2016
Huch Ynnne LTD	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking	3319/773	9/13/2016
Huch Ynnne LTD	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking	3319/776	9/13/2016
Lodha Properties, LLC	Indian Creek Valley Water Authority	Deed of Easement	3321/2117	5/7/2016
M. Janet Burkardt and Meg L. Burkardt	Indian Creek Valley Water Authority	Deed of Easement	3327/1109	10/25/2016
Zane Brown and Arlene Brown	Indian Creek Valley Water Authority	Deed of Easement	3327/1114	10/10/2016
Scott Achhammer	Indian Creek Valley Water Authority	Deed of Easement	3338/2347	2/4/2017
L & J Equipment	Indian Creek Valley Water Authority	Deed of Easement	3338/2350	2/16/2017
Sherlyn S. Warner and Edward Warner	Indian Creek Valley Water Authority	Deed of Easement	3338/2353	2/21/2017
William Pletcher	Indian Creek Valley Water Authority	Deed of Easement	3338/2356	4/10/2017
Emmalou Pletcher	Indian Creek Valley Water Authority	Deed of Easement	3338/2360	4/15/2017
Judy K. Clark	Indian Creek Valley Water Authority	Deed of Easement	3489/1538	9/29/2021
Commonwealth of Pennsylvania	Indian Creek Valley Water Authority	Land Development Plan	111/59	6/12/2024

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Hellen Ridge, L.P.	Indian Creek Valley Water Authority	Deed of Easement	3735/542	1/11/2000
Donegal Area Community Center Inc.	Indian Creek Valley Water Authority	Deed of Right of Way	3408/300	2/28/1996
Joseph Diminno Jr. & Toni Marie Pletcher	Indian Creek Valley Water Authority	Deed of Easement	3372/504	4/30/1995
Robert Kerlin	Indian Creek Valley Water Authority	Deed of Easement	3345/485	5/3/1995
Robert Kerlin	Indian Creek Valley Water Authority	Deed of Easement	3345/482	5/4/1995
Martin G. Hullihen	Indian Creek Valley Water Authority	Deed of Easement	3345/480	4/30/1995
Andrew Kicsak	Indian Creek Valley Water Authority	Deed of Easement	3345/478	4/30/1995
Dorothy Dippel Kicsak	Indian Creek Valley Water Authority	Deed of Easement	3345/476	4/30/1995
Julia Kicsak & Andrew Kicsak	Indian Creek Valley Water Authority	Deed of Easement	3345/474	4/30/1995
Joseph Kubes III & James Kubes	Indian Creek Valley Water Authority	Deed of Easement	3345/472	5/6/1995
Joseph Kubes & Mary Linda Kubes	Indian Creek Valley Water Authority	Deed of Easement	3345/466	5/6/1995
Clarence D Sherman Jr. & Dolores Sherman	Indian Creek Valley Water Authority	Deed of Easement	3345/464	5/9/1995
Clarence D Sherman Jr. & Dolores Sherman	Indian Creek Valley Water Authority	Deed of Easement	3345/462	5/9/1995
Scott Somerhalder	Indian Creek Valley Water Authority	Deed of Easement	3345/460	5/3/1995
James Steadman & Wendy Steadman	Indian Creek Valley Water Authority	Deed of Easement	3345/455	4/29/1995
Milton Supak & Thelma Supak	Indian Creek Valley Water Authority	Deed of Easement	3345/453	5/4/1995
William A. Tedeschi	Indian Creek Valley Water Authority	Deed of Easement	3345/451	5/17/1995
William A. Tedeschi	Indian Creek Valley Water Authority	Deed of Easement	3345/449	5/17/1995
Richard P. Ramela & Michael Kovaly	Indian Creek Valley Water Authority	Deed of Easement	3345/447	5/2/1995
Michael Kovaly & Richard Ramela	Indian Creek Valley Water Authority	Deed of Easement	3345/445	4/30/1995
Lawrence Rehanek	Indian Creek Valley Water Authority	Deed of Easement	3345/443	5/4/1995
Ross A. Roberts & Mae A. Roberts	Indian Creek Valley Water Authority	Deed of Easement	3345/441	5/4/1995
Ross A. Roberts & Mae A. Roberts	Indian Creek Valley Water Authority	Deed of Easement	3345/439	5/4/1995
Ross A. Roberts & Mae A. Roberts	Indian Creek Valley Water Authority	Deed of Easement	3345/437	5/4/1995
Charles W. Doyle & Helen E. Doyle	Indian Creek Valley Water Authority	Deed of Easement	3345/435	4/30/1995
Charles W. Doyle & Helen E. Doyle	Indian Creek Valley Water Authority	Deed of Easement	3345/433	4/30/1995
Bonita K. Neiderhiser	Indian Creek Valley Water Authority	Deed of Easement	3345/431	4/5/1995
Andrew J. Orfitelli & Gilda Orfitelli	Indian Creek Valley Water Authority	Deed of Easement	3345/429	4/29/1995
Andrew J. Orfitelli & Gilda Orfitelli	Indian Creek Valley Water Authority	Deed of Easement	3345/427	4/29/1995
Paul R. Owens	Indian Creek Valley Water Authority	Deed of Easement	3345/425	5/4/1995
Thomas McDowell	Indian Creek Valley Water Authority	Deed of Easement	3345/423	5/2/1995
Marie Marino	Indian Creek Valley Water Authority	Deed of Easement	3345/421	5/4/1995
Marie Marino & Michael Marino	Indian Creek Valley Water Authority	Deed of Easement	3345/419	5/4/1995
Julius Majovsky & Ann Majovsky	Indian Creek Valley Water Authority	Deed of Easement	3345/417	6/1/1995
Richard A. Leeper & Anna F. Leeper	Indian Creek Valley Water Authority	Deed of Easement	3345/489	4/29/1995
Richard A. Leeper & Lynn Leeper	Indian Creek Valley Water Authority	Deed of Easement	3345/415	4/29/1995
Paul D. Burrell & Gloria A. Burrell	Indian Creek Valley Water Authority	Deed of Easement	3345/264	4/29/1995
Virginia C. Burrell	Indian Creek Valley Water Authority	Deed of Easement	3345/262	5/1/1995
Frances Capasso	Indian Creek Valley Water Authority	Deed of Easement	3345/260	5/4/1995
Frances Capasso	Indian Creek Valley Water Authority	Deed of Easement	3345/247	5/4/1995
Frances Capasso	Indian Creek Valley Water Authority	Deed of Easement	3345/242	5/4/1995
Steve Cesario & Lisa Cesario	Indian Creek Valley Water Authority	Deed of Easement	3345/240	5/23/1995
Joseph Chizmar	Indian Creek Valley Water Authority	Deed of Easement	3345/238	4/29/1995
Morris Barron	Indian Creek Valley Water Authority	Deed of Easement	3345/236	5/4/1995
Vaughn C. Deliman & Nancy A. Deliman	Indian Creek Valley Water Authority	Deed of Easement	3345/213	5/4/1995
Vaughn C. Deliman & Nancy A. Deliman	Indian Creek Valley Water Authority	Deed of Easement	3345/211	5/4/1995
Jerry Delligatti	Indian Creek Valley Water Authority	Deed of Easement	3345/209	5/4/1995

Gerald J. Duricko & Diane R. Duricko	Indian Creek Valley Water Authority	Deed of Easement	3345/207	4/30/1995
Ronald L Felgar & Kathleen Felgar	Indian Creek Valley Water Authority	Deed of Easement	3345/205	6/1/1995
Frank Grandizio & Betty Grandizio	Indian Creek Valley Water Authority	Deed of Easement	3345/203	5/19/1995
Gary R. Green	Indian Creek Valley Water Authority	Deed of Easement	3345/201	5/5/1995
Virginia Green	Indian Creek Valley Water Authority	Deed of Easement	3345/199	4/30/1995
Anne Yalch	Indian Creek Valley Water Authority	Deed of Easement	3345/197	4/30/1995
Charles V. Vorum	Indian Creek Valley Water Authority	Deed of Easement	3345/195	5/18/1995
Alan E. Berry & Rebecca Berry	Indian Creek Valley Water Authority	Deed of Easement	3345/234	4/30/1995
Paul Braem & Rose Braem	Indian Creek Valley Water Authority	Deed of Easement	3345/232	4/29/1995
Phillip Bucciarelli & Elsie Bucciarelli	Indian Creek Valley Water Authority	Deed of Easement	3345/229	5/3/1995
Martin R. Burke & Leann Burke	Indian Creek Valley Water Authority	Deed of Easement	3345/227	5/4/1995
Martin R. Burke & Leann Burke	Indian Creek Valley Water Authority	Deed of Easement	3345/225	5/4/1995
Martin R. Burke & Leann Burke	Indian Creek Valley Water Authority	Deed of Easement	3345/223	5/4/1995
Francis J. Conti	Indian Creek Valley Water Authority	Deed of Easement	3345/221	5/6/1995
John D'ambrosio & Katherine D'ambrosio	Indian Creek Valley Water Authority	Deed of Easement	3345/219	4/29/1995
John D'ambrosio & Katherine D'ambrosio	Indian Creek Valley Water Authority	Deed of Easement	3345/217	4/29/1995
John D'ambrosio & Katherine D'ambrosio	Indian Creek Valley Water Authority	Deed of Easement	3345/215	4/29/1995
Ondeine E. Williams	Indian Creek Valley Water Authority	Deed of Easement	3345/193	5/4/1995
Raymond R. Strednak & Josephine A. Strednak	Indian Creek Valley Water Authority	Deed of Easement	3345/191	5/4/1992
Robert Kerlin	Indian Creek Valley Water Authority	Deed of Easement	3345/189	5/3/1995
Robert Kerlin	Indian Creek Valley Water Authority	Deed of Easement	3345/173	5/3/1995
Robert Kerlin	Indian Creek Valley Water Authority	Deed of Easement	3345/171	5/3/1995
Joyce A. Barret & Robert F. Barret	Indian Creek Valley Water Authority	Deed of Easement	3344/450	7/11/1995
Louis Tylman & Linda Tylman	Indian Creek Valley Water Authority	Deed of Easement	3344/448	6/15/1995
Charles D. Ebaugh	Indian Creek Valley Water Authority	Deed of Right of Way	3344/443	5/5/1995
Douglas B. Goodwin	Indian Creek Valley Water Authority	Deed of Right of Way	3344/437	5/4/1995
J. Paul Kalp	Indian Creek Valley Water Authority	Deed of Right of Way	3344/432	5/4/1995
James N. McClure	Indian Creek Valley Water Authority	Deed of Right of Way	3344/428	5/25/1995
Charles Rimel	Indian Creek Valley Water Authority	Deed of Right of Way	3344/422	5/4/1995
John E. Sgaffer & Brenda Shaffer	Indian Creek Valley Water Authority	Deed of Right of Way	3344/416	5/2/1995
Paul T. Roman	Indian Creek Valley Water Authority	Deed of Right of Way	3344/412	5/9/1995
Charles B. Neiderhiser & Mary L. Neiderhiser	Indian Creek Valley Water Authority	Deed of Right of Way	3344/407	5/5/1995
Edward L. Neiderhiser Sr. & Carol A. Neiderhiser	Indian Creek Valley Water Authority	Deed of Right of Way	3344/402	5/4/1995
Nevin A. Kalp & Lana S. Kalp	Indian Creek Valley Water Authority	Deed of Right of Way	3344/398	6/6/1995
Brenda G. Graham	Indian Creek Valley Water Authority	Deed of Right of Way	3344/394	5/4/1995
James N. McClure	Indian Creek Valley Water Authority	Deed	3344/386	5/25/1995
Richard A. Leeper & Anna F. Leeper	Indian Creek Valley Water Authority	Deed of Right of Way	3344/381	5/9/1995
Joyce F. & Robert F. Barrett	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/538	5/9/1995
George N. Becraft	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/539	5/9/1995
Michael G. Bozurich	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/539	5/9/1995
Michael G. Bozurich	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/539	5/9/1995
Alex P. Casterwiler	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/540	5/9/1995
Steve & Lisa Cesario	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/540	5/9/1995
Ronald L. & Kathleen Felgar	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/540	5/9/1995
Alfonso G. & Mary E. Gonzales	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/541	5/9/1995
Frank & Betty Grandizio	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/541	5/9/1995
Russell G. & Franice M. Lorber	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/541	5/9/1995
Julius & Ann Majovsky	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/542	5/9/1995

Joseph T. & Agnes W. Matesic	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/542	5/9/1995
Joseph T. & Agnes W. Matesic	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/542	5/9/1995
Joseph T. & Agnes W. Matesic	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/543	5/9/1995
James & Lilly Redo	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/543	5/9/1995
Phillip & Helen Roy, Jr.	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/543	5/9/1995
Frank Allen & Iva Pearl Sterner	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/544	5/9/1995
Frank Allen & Iva Pearl Sterner	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/544	5/9/1995
Louis J. & Linda J. Tylman	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/544	5/9/1995
Charles V. Vorum	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/545	5/9/1995
Elmer & Pauline Banyasz	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/545	5/9/1995
Alice G. Constantine	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/545	5/9/1995
Mary M. Danovich	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/546	5/9/1995
Alfonso G. & Mary E. Gonzales	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/546	5/9/1995
Donald M. & Beth Graffius	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/546	5/9/1995
Paul R. Grinder & Paul B. Blanche	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/547	5/9/1995
Carl Musgrove	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/547	5/9/1995
Sharon L. Rosenberger	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/547	5/9/1995
Phillip & Helen Roy, Jr.	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/548	5/9/1995
William A. Tedeschi	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/548	5/9/1995
William A. Tedeschi	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/548	5/9/1995
Jack L. & Reva Jane Rimel	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/549	5/9/1995
C.H. & Beulah Kalp Estate	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/550	5/9/1995
Nevin A. Kalp	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/551	5/9/1995
Eugene & Thomas E. Miller	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/552	5/9/1995
Paul T. Roman	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/553	5/9/1995
Bryon L. & Julia F. Donovan	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/554	5/9/1995

Schedule 4.1(l)(ii)

Easements and Rights of Way

1. Prescriptive Easements and Easements by Operation of Law
2. See Attached Easements and Rights of Way

Grantor(s)	Grantee	Inst Type	Book / Page	Document Date
Indian Creek Coal & Coke Company	Indian Head Mutual Water System	Deed	800 / 11	7/1/1952
Eastern Associated Coal Corp.	Indian Creek Valley Water Authority	Deed	1054 / 127	12/4/1967
Eastern Associated Coal Corp.	Indian Creek Valley Water Authority	Deed	1054 / 131	6/7/1967
Municipal Authority of Westmoreland County	Indian Creek Valley Water Authority	Lease Agreement	1198 / 1106	9/28/1973
Bette J. Shaffer	Indian Creek Valley Water Authority	Deed	1321 / 32	5/25/1983
American Telephone and Telegraph Co.	Indian Creek Valley Water Authority	Deed of Easement	1339 / 573	5/18/1984
Edward E. and Frances L. Nicholson	Indian Creek Valley Water Authority	ROW Agreement	22/172	12/31/1984
Donald L. and Cleo L. Henry	Indian Creek Valley Water Authority	ROW Agreement	22 / 174	12/31/1984
Gary Ranker	Indian Creek Valley Water Authority	ROW Agreement	22/176	12/31/1984
Thomas Soberdash	Indian Creek Valley Water Authority	ROW Agreement	22/178	12/31/1984
Elsley K. Witt & Margaret A. Witt	Indian Creek Valley Water Authority	ROW Agreement	22/180	12/31/1984
Indian Head Mutual Water System	Indian Creek Valley Water Authority	Agreement	60/209	10/22/1973
John H. Clark and Teresa L. Clark; David E. Clark and Teresa L. Clark	Indian Creek Valley Water Authority	Deed of Easement	80/73	4/29/1987
Darthea Speyer	Indian Creek Valley Water Authority	Deed of Right-of-Way	435/42	5/9/1988
Haseltine Hills, Inc.	Indian Creek Valley Water Authority	Deed of Right-of-Way	435/48	3/31/1988
Seven Springs Farm, Inc.	Indian Creek Valley Water Authority	Deed of Right-of-Way	435/55	4/18/1988
Seven Springs Farm, Inc.	Indian Creek Valley Water Authority	Deed of Right-of-Way	435/62	4/18/1988
Robert Prinkey	Indian Creek Valley Water Authority	Deed of Right-of-Way	550/195	4/18/1989
L & J Equipment Co.	Indian Creek Valley Water Authority	Deed of Right-of-Way	551/200	5/4/1989
Robert C. May and Kathleen May; and Charles May and Jane S. May	Indian Creek Valley Water Authority	Deed of Right-of-Way	741/302	9/25/1990
J. Robert Fullem and Maree Fullem	Indian Creek Valley Water Authority	Deed of Right-of-Way	759/219	11/5/1990
Calvin Pletcher and Emmalou Pletcher	Indian Creek Valley Water Authority	Deed of Right-of-Way	764/142	10/22/1990
Alan Lee Blosser and Barbara Blosser	Indian Creek Valley Water Authority	Deed of Right-of-Way	787/330	1/1/1991
Harold Shepler and Susan Marie Shepler	Indian Creek Valley Water Authority	Deed of Right-of-Way	801/327	1/10/1991
Clarence H. Herwick and Margaret M. Herwick	Indian Creek Valley Water Authority	Deed of Right-of-Way	828/107	5/18/1991
Wanna Mae Miller	Indian Creek Valley Water Authority	Deed of Right-of-Way	563/36	5/5/1995
RAS Development Corporation	Indian Creek Valley Water Authority	Deed of Right-of-Way	563/41	5/2/1995
Brad D. Ream and Melinda Z. Ream	Indian Creek Valley Water Authority	Deed of Right-of-Way	563/47	5/5/1995
Michael Tomko and Dolores Tomkko	Indian Creek Valley Water Authority	Deed of Right-of-Way	1563/52	6/7/1995
Brad D. Ream and Melinda Z. Ream	Indian Creek Valley Water Authority	Deed of Right-of-Way	1563/57	5/5/1995
Huch Ynne, LTD.	Indian Creek Valley Water Authority	Deed of Right-of-Way	1563/62	5/5/1995
Elsley k Witt and Margaret A. Witt	Indian Creek Valley Water Authority	Right-of-Way Agreement	2146/124	12/31/1984
William W. & Dorothy S. Blohme	Indian Creek Valley Water Authority	Deed of Easement	2146/126	10/4/1996
Norman C. Koehler	Indian Creek Valley Water Authority	Deed of Easement	2146/129	10/7/1996
John M. & Georgetta A Kamecher	Indian Creek Valley Water Authority	Deed of Easement	2146/132	9/24/1996

Martin D & Diane Yurchison	Indian Creek Valley Water Authority	Deed of Easement	2146/135	9/24/1996
Bradley D. & Susan Rodeheaver	Indian Creek Valley Water Authority	Deed of Easement	2146/138	9/6/1996
Thomas J Tindall Sr. TRUST	Indian Creek Valley Water Authority	Deed of Easement	2146/141	8/15/1996
Aldo Castelli	Indian Creek Valley Water Authority	Contract Agreement	2146/144	4/27/1987
Philip Scarola, Jr. and Angela Scarola	Indian Creek Valley Water Authority	Deed of Easement	2218/253	11/11/1998
Paul Phillips and Melodie Phillips	Indian Creek Valley Water Authority	Deed of Easement	2218/256	11/12/1998
Roy W. Stout	Indian Creek Valley Water Authority	Deed of Easement	2423/336	8/19/1999
Wade Savage Jr.	Indian Creek Valley Water Authority	Deed in Lieu of Foreclosure	2456/339	11/18/1999
Dorothy Hepler	Indian Creek Valley Water Authority	Deed of Easement	2519/278	4/26/2000
Lawrence Chearney, Harry Fabian, and David Hayes, Trustees of the Church of the Brethren of Indian Creek Congregation	Indian Creek Valley Water Authority	Deed of Right-of-Way	2764/278	2/22/2001
Paul L. Bryner and Colleen Bryner	Indian Creek Valley Water Authority	Deed of Right-of-Way	2764/284	3/12/2001
Charles Keslar	Indian Creek Valley Water Authority	Deed of Right-of-Way	2764/288	3/13/2001
Jeannett Locke and John Wellman; Leisel Lengyel and Dale Lengyel	Indian Creek Valley Water Authority	Deed of Right-of-Way	2764/298	5/24/2001
William C. Scarlett and Olive R. Scarlett	Indian Creek Valley Water Authority	Deed of Right-of-Way	2834/126	9/10/2002
Western Pennsylvania Conservancy	Indian Creek Valley Water Authority	Deed of Right-of-Way	2834/1563	9/6/2002
J. W. Secrist Jr.	Indian Creek Valley Water Authority	Deed of Right-of-Way	2851/1164	1/17/2003
Linda M. Goodwin	Indian Creek Valley Water Authority	Deed of Right-of-Way	2851/1169	1/16/2003
Connie E. Holst	Indian Creek Valley Water Authority	Deed of Right-of-Way	2851/1174	1/16/2003
Ralph E. Hay Marie M. Hay	Indian Creek Valley Water Authority	Deed of Right-of-Way	2877/1113	9/3/2003
James T. Nassida and Tina Nassida	Indian Creek Valley Water Authority	Deed of Easement	3053/1258	1/8/2008
Tracie Pletcher	Indian Creek Valley Water Authority	Deed of Easement	3053/1261	1/8/2008
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Huch Ynnne LTD	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking	3319/776	9/13/2016
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Zane Brown and Arlene Brown	Indian Creek Valley Water Authority	Deed of Easement	3327/1114	10/10/2016
Scott Achhammer	Indian Creek Valley Water Authority	Deed of Easement	3338/2347	2/4/2017
L & J Equipment	Indian Creek Valley Water Authority	Deed of Easement	3338/2350	2/16/2017
Sherlyn S. Warner and Edward Warner	Indian Creek Valley Water Authority	Deed of Easement	3338/2353	2/21/2017
William Pletcher	Indian Creek Valley Water Authority	Deed of Easement	3338/2356	4/10/2017
Emmalou Pletcher	Indian Creek Valley Water Authority	Deed of Easement	3338/2360	4/15/2017
Judy K. Clark	Indian Creek Valley Water Authority	Deed of Easement	3489/1538	9/29/2021
Commonwealth of Pennsylvania	Indian Creek Valley Water Authority	Land Development Plan	111/59	6/12/2024

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Joseph Diminno Jr. & Toni Marie Pletcher	Indian Creek Valley Water Authority	Deed of Easement	3372/504	4/30/1995
Robert Kerlin	Indian Creek Valley Water Authority	Deed of Easement	3345/485	5/3/1995
Robert Kerlin	Indian Creek Valley Water Authority	Deed of Easement	3345/482	5/4/1995
Martin G. Hullihen	Indian Creek Valley Water Authority	Deed of Easement	3345/480	4/30/1995
Andrew Kicsak	Indian Creek Valley Water Authority	Deed of Easement	3345/478	4/30/1995
Dorothy Dippel Kicsak	Indian Creek Valley Water Authority	Deed of Easement	3345/476	4/30/1995
Julia Kicsak & Andrew Kicsak	Indian Creek Valley Water Authority	Deed of Easement	3345/474	4/30/1995
Joseph Kubes III & James Kubes	Indian Creek Valley Water Authority	Deed of Easement	3345/472	5/6/1995
Joseph Kubes & Mary Linda Kubes	Indian Creek Valley Water Authority	Deed of Easement	3345/466	5/6/1995
Clarence D Sherman Jr. & Dolores Sherman	Indian Creek Valley Water Authority	Deed of Easement	3345/464	5/9/1995
Clarence D Sherman Jr. & Dolores Sherman	Indian Creek Valley Water Authority	Deed of Easement	3345/462	5/9/1995
Scott Somerhalder	Indian Creek Valley Water Authority	Deed of Easement	3345/460	5/3/1995
James Steadman & Wendy Steadman	Indian Creek Valley Water Authority	Deed of Easement	3345/455	4/29/1995
Milton Supak & Thelma Supak	Indian Creek Valley Water Authority	Deed of Easement	3345/453	5/4/1995
William A. Tedeschi	Indian Creek Valley Water Authority	Deed of Easement	3345/451	5/17/1995
William A. Tedeschi	Indian Creek Valley Water Authority	Deed of Easement	3345/449	5/17/1995
Richard P. Ramela & Michael Kovaly	Indian Creek Valley Water Authority	Deed of Easement	3345/447	5/2/1995
Michael Kovaly & Richard Ramela	Indian Creek Valley Water Authority	Deed of Easement	3345/445	4/30/1995
Lawrence Rehanek	Indian Creek Valley Water Authority	Deed of Easement	3345/443	5/4/1995
Ross A. Roberts & Mae A. Roberts	Indian Creek Valley Water Authority	Deed of Easement	3345/441	5/4/1995
Ross A. Roberts & Mae A. Roberts	Indian Creek Valley Water Authority	Deed of Easement	3345/439	5/4/1995
Ross A. Roberts & Mae A. Roberts	Indian Creek Valley Water Authority	Deed of Easement	3345/437	5/4/1995
Charles W. Doyle & Helen E. Doyle	Indian Creek Valley Water Authority	Deed of Easement	3345/435	4/30/1995
Charles W. Doyle & Helen E. Doyle	Indian Creek Valley Water Authority	Deed of Easement	3345/433	4/30/1995
Bonita K. Neiderhiser	Indian Creek Valley Water Authority	Deed of Easement	3345/431	4/5/1995
Andrew J. Orfitelli & Gilda Orfitelli	Indian Creek Valley Water Authority	Deed of Easement	3345/429	4/29/1995
Andrew J. Orfitelli & Gilda Orfitelli	Indian Creek Valley Water Authority	Deed of Easement	3345/427	4/29/1995
Paul R. Owens	Indian Creek Valley Water Authority	Deed of Easement	3345/425	5/4/1995
Thomas McDowell	Indian Creek Valley Water Authority	Deed of Easement	3345/423	5/2/1995
Marie Marino	Indian Creek Valley Water Authority	Deed of Easement	3345/421	5/4/1995
Marie Marino & Michael Marino	Indian Creek Valley Water Authority	Deed of Easement	3345/419	5/4/1995
Julius Majovsky & Ann Majovsky	Indian Creek Valley Water Authority	Deed of Easement	3345/417	6/1/1995
Richard A. Leeper & Anna F. Leeper	Indian Creek Valley Water Authority	Deed of Easement	3345/489	4/29/1995
Richard A. Leeper & Lynn Leeper	Indian Creek Valley Water Authority	Deed of Easement	3345/415	4/29/1995
Paul D. Burrell & Gloria A. Burrell	Indian Creek Valley Water Authority	Deed of Easement	3345/264	4/29/1995
Virginia C. Burrell	Indian Creek Valley Water Authority	Deed of Easement	3345/262	5/1/1995
Frances Capasso	Indian Creek Valley Water Authority	Deed of Easement	3345/260	5/4/1995
Frances Capasso	Indian Creek Valley Water Authority	Deed of Easement	3345/247	5/4/1995
Frances Capasso	Indian Creek Valley Water Authority	Deed of Easement	3345/242	5/4/1995
Steve Cesario & Lisa Cesario	Indian Creek Valley Water Authority	Deed of Easement	3345/240	5/23/1995
Joseph Chizmar	Indian Creek Valley Water Authority	Deed of Easement	3345/238	4/29/1995
Morris Barron	Indian Creek Valley Water Authority	Deed of Easement	3345/236	5/4/1995
Vaughn C. Deliman & Nancy A. Deliman	Indian Creek Valley Water Authority	Deed of Easement	3345/213	5/4/1995
Vaughn C. Deliman & Nancy A. Deliman	Indian Creek Valley Water Authority	Deed of Easement	3345/211	5/4/1995
Jerry Delligatti	Indian Creek Valley Water Authority	Deed of Easement	3345/209	5/4/1995

Gerald J. Duricko & Diane R. Duricko	Indian Creek Valley Water Authority	Deed of Easement	3345/207	4/30/1995
Ronald L. Felgar & Kathleen Felgar	Indian Creek Valley Water Authority	Deed of Easement	3345/205	6/1/1995
Frank Grandizio & Betty Grandizio	Indian Creek Valley Water Authority	Deed of Easement	3345/203	5/19/1995
Gary R. Green	Indian Creek Valley Water Authority	Deed of Easement	3345/201	5/5/1995
Virginia Green	Indian Creek Valley Water Authority	Deed of Easement	3345/199	4/30/1995
Anne Yalch	Indian Creek Valley Water Authority	Deed of Easement	3345/197	4/30/1995
Charles V. Vorum	Indian Creek Valley Water Authority	Deed of Easement	3345/195	5/18/1995
Alan E. Berry & Rebecca Berry	Indian Creek Valley Water Authority	Deed of Easement	3345/234	4/30/1995
Paul Braem & Rose Braem	Indian Creek Valley Water Authority	Deed of Easement	3345/232	4/29/1995
Phillip Bucciarelli & Elsie Bucciarelli	Indian Creek Valley Water Authority	Deed of Easement	3345/229	5/3/1995
Martin R. Burke & Leann Burke	Indian Creek Valley Water Authority	Deed of Easement	3345/227	5/4/1995
Martin R. Burke & Leann Burke	Indian Creek Valley Water Authority	Deed of Easement	3345/225	5/4/1995
Martin R. Burke & Leann Burke	Indian Creek Valley Water Authority	Deed of Easement	3345/223	5/4/1995
Francis J. Conti	Indian Creek Valley Water Authority	Deed of Easement	3345/221	5/6/1995
John D'ambrosio & Katherine D'ambrosio	Indian Creek Valley Water Authority	Deed of Easement	3345/219	4/29/1995
John D'ambrosio & Katherine D'ambrosio	Indian Creek Valley Water Authority	Deed of Easement	3345/217	4/29/1995
John D'ambrosio & Katherine D'ambrosio	Indian Creek Valley Water Authority	Deed of Easement	3345/215	4/29/1995
Ondeine E. Williams	Indian Creek Valley Water Authority	Deed of Easement	3345/193	5/4/1995
Raymond R. Strednak & Josephine A. Strednak	Indian Creek Valley Water Authority	Deed of Easement	3345/191	5/4/1992
Robert Kerlin	Indian Creek Valley Water Authority	Deed of Easement	3345/189	5/3/1995
Robert Kerlin	Indian Creek Valley Water Authority	Deed of Easement	3345/173	5/3/1995
Robert Kerlin	Indian Creek Valley Water Authority	Deed of Easement	3345/171	5/3/1995
Joyce A. Barret & Robert F. Barret	Indian Creek Valley Water Authority	Deed of Easement	3344/450	7/11/1995
Louis Tylman & Linda Tylman	Indian Creek Valley Water Authority	Deed of Easement	3344/448	6/15/1995
Charles D. Ebaugh	Indian Creek Valley Water Authority	Deed of Right of Way	3344/443	5/5/1995
Douglas B. Goodwin	Indian Creek Valley Water Authority	Deed of Right of Way	3344/437	5/4/1995
J. Paul Kalp	Indian Creek Valley Water Authority	Deed of Right of Way	3344/432	5/4/1995
James N. McClure	Indian Creek Valley Water Authority	Deed of Right of Way	3344/428	5/25/1995
Charles Rimel	Indian Creek Valley Water Authority	Deed of Right of Way	3344/422	5/4/1995
John E. Sgaffer & Brenda Shaffer	Indian Creek Valley Water Authority	Deed of Right of Way	3344/416	5/2/1995
Paul T. Roman	Indian Creek Valley Water Authority	Deed of Right of Way	3344/412	5/9/1995
Charles B. Neiderhiser & Mary L. Neiderhiser	Indian Creek Valley Water Authority	Deed of Right of Way	3344/407	5/5/1995
Edward L. Neiderhiser Sr. & Carol A. Neiderhiser	Indian Creek Valley Water Authority	Deed of Right of Way	3344/402	5/4/1995
Nevin A. Kalp & Lana S. Kalp	Indian Creek Valley Water Authority	Deed of Right of Way	3344/398	6/6/1995
Brenda G. Graham	Indian Creek Valley Water Authority	Deed of Right of Way	3344/394	5/4/1995
James N. McClure	Indian Creek Valley Water Authority	Deed	3344/386	5/25/1995
Richard A. Leeper & Anna F. Leeper	Indian Creek Valley Water Authority	Deed of Right of Way	3344/381	5/9/1995
Joyce F. & Robert F. Barrett	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/538	5/9/1995
George N. Becraft	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/539	5/9/1995
Michael G. Bozurich	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/539	5/9/1995
Michael G. Bozurich	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/539	5/9/1995
Alex P. Casterwiler	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/540	5/9/1995
Steve & Lisa Cesario	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/540	5/9/1995
Ronald L. & Kathleen Felgar	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/540	5/9/1995
Alfonso G. & Mary E. Gonzales	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/541	5/9/1995
Frank & Betty Grandizio	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/541	5/9/1995
Russell G. & Franice M. Lorber	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/541	5/9/1995
Julius & Ann Majovsky	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/542	5/9/1995

Joseph T. & Agnes W. Matesic	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/542	5/9/1995
Joseph T. & Agnes W. Matesic	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/542	5/9/1995
Joseph T. & Agnes W. Matesic	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/543	5/9/1995
James & Lilly Redo	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/543	5/9/1995
Phillip & Helen Roy, Jr.	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/543	5/9/1995
Frank Allen & Iva Pearl Sterner	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/544	5/9/1995
Frank Allen & Iva Pearl Sterner	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/544	5/9/1995
Louis J. & Linda J. Tylman	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/544	5/9/1995
Charles V. Vorum	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/545	5/9/1995
Elmer & Pauline Banyasz	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/545	5/9/1995
Alice G. Constantine	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/545	5/9/1995
Mary M. Danovich	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/546	5/9/1995
Alfonso G. & Mary E. Gonzales	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/546	5/9/1995
Donald M. & Beth Graffius	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/546	5/9/1995
Paul R. Grinder & Paul B. Blanche	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/547	5/9/1995
Carl Musgrove	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/547	5/9/1995
Sharon L. Rosenberger	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/547	5/9/1995
Phillip & Helen Roy, Jr.	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/548	5/9/1995
William A. Tedeschi	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/548	5/9/1995
William A. Tedeschi	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/548	5/9/1995
Jack L. & Reva Jane Rimel	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/549	5/9/1995
C.H. & Beulah Kalp Estate	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/550	5/9/1995
Nevin A. Kalp	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/551	5/9/1995
Eugene & Thomas E. Miller	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/552	5/9/1995
Paul T. Roman	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/553	5/9/1995
Bryon L. & Julia F. Donovan	Indian Creek Valley Water Authority	Notice of Filing Declaration of Taking (Right of Way)	3328/554	5/9/1995

Schedule 4.1(l)(iii)

Options and Rights of First Refusal

1. Right of first refusal of Leathem, et al. to purchase real estate described in deed – Record Book Volume 1569, Page 255 (May 6, 1995 – term ending upon deaths of grantors)
2. Right of first refusal of Ohiopyle Borough to purchase Ohiopyle assets – Record Book Volume 3190, Page 987 (June 15, 2012 – term of 20 years)

Schedule 4.1(l)(v)

Taxes and Assessments

None.

Schedule 4.1(l)(vi)

Necessary Repairs to Real Property

1. Grimm Spring Repairs resulting from 2018 regulations changes (DEP noted deficiencies and recommended repairs).
2. Mid-Atlantic Storage Systems, Inc. – Tanks Report and Recommendations (September 2024) (recommended repairs).
3. Mill Run Treatment Plant (repairs to expand plant operations and capacity).

Schedule 4.1(m)

Litigation

1. Thomas R. Guiher v. Indian Creek Valley Water Authority, Docket No. 19Cl03168, filed in the Court of Common Pleas of Westmoreland County, Pennsylvania (June 28, 2019) – litigation relates to installation of line across property and payment of tapping and related connection fees and requirements.
2. Various municipal lien filings against property owners docketed in the Court of Common Pleas of Fayette County, Pennsylvania (Prothonotary) and the Court of Common Pleas of Westmoreland County, Pennsylvania (Prothonotary).

Schedule 4.1(p)

Violations of Law

1. The Authority has thirty-three (33) unresolved violations from DEP dated January 22, 2025 for Failure to Monitor/Report Routine Samples for Inorganic Chemicals.
2. The Grimm Spring treatment facility does not comply with DEP regulations in 25 Pa Code § 109.602(g) and (h).
3. The Authority has not submitted nor certified its risk and resilience assessment (RRA) by the June 30, 2021 deadline specified in America's Water Infrastructure Act (AWIA).¹
4. The Authority has not submitted nor certified its emergency response plan (ERP) by the December 31, 2021 deadline specified in America's Water Infrastructure Act (AWIA).

¹ On October 23, 2018, America's Water Infrastructure Act (AWIA) was signed into law. AWIA section 2013, which amended section 1433 of the Safe Drinking Water Act (SDWA), requires community (drinking) water systems (CWSs) serving more than 3,300 people to develop or update. The law specifies the components that the RRAs and ERPs must address, and establishes deadlines by which water systems must certify to EPA completion of the RRA and ERP.

Schedule 4.1(q)

Permits²

Permit No.	Permit Type	Date Issued
6846	Public Water Supply	1/5/1948
6846-T1	Water Supply Permit	10/21/1969
465W13-T1	Water Supply Permit	10/21/1969
2673502	Water Supply Construction/Operation	9/19/1973
2673601	Source of Supply	10/9/1974
465W13-A1	Water Supply Construction/Operation	3/4/1988
6864-T1-A1	Water Supply Construction/Operation	5/10/1988
2689509-A1	Water Supply Construction/Operation	6/9/1992
2689509-A2	Water Supply Operation	7/19/1996
2699502	Water Supply Operation	5/18/2001
6864-T1-A2	Water Supply Operation	5/18/2001
WA-26-658A	Water Allocation (renewal pending)	9/20/2002
2601501	Water Supply Operation	8/22/2003
6846-T1-A2	Water Supply Operation	3/23/2004
6846-T1-A3	Water Supply Operation	4/7/2005
2605501	Water Supply Operation	4/24/2006
2605503	Water Supply Operation	9/6/2006
2605505	Water Supply Operation	6/29/2009
2610502GWR	Water Supply Operation	3/18/2011
465W009-T1	Water Supply Operation	6/18/2014
2614504MA	Water Supply Operation	6/5/2015
2616502WMP	Water Supply Construction/Operation	4/18/2016
2615503	Water Supply Operation	9/15/2016
2620505	Water Supply Construction	12/11/2020
PA0252743	NPDES Discharge	5/1/2021
2621507	Water Supply Construction	2/9/2022
PA0255254	NPDES Discharge	12/1/2022
2623502	Water Supply Construction	6/28/2023
2624509	Water Supply Operation	7/17/2024
2621502	Water Supply Operation	8/8/2024
2621507-A1	Water Supply Construction	8/13/2024

² The above list does not include operating permits for the Normalville and White pump stations and the County Line, Henry and McLure storage tanks. We have asked the Authority to locate and provide copies of those permits.

Schedule 4.1(r)(iv)

Environmental Conditions

1. The Authority has thirty-three (33) unresolved violations from DEP dated January 22, 2025 for Failure to Monitor/Report Routine Samples for Inorganic Chemicals.
2. The Grimm Spring treatment facility does not comply with DEP regulations in 25 Pa Code § 109.602(g) and (h).
3. The Authority has not submitted nor certified its risk and resilience assessment (RRA) by the June 30, 2021 deadline specified in America's Water Infrastructure Act (AWIA).
4. The Authority has not submitted nor certified its emergency response plan (ERP) by the December 31, 2021 deadline specified in America's Water Infrastructure Act (AWIA).

Schedule 4.1(t)

Extension Deposit Agreements

1. McKee Extension Agreement.

Schedule 5.1(c)

Assigned Contracts

1. Water Service Agreement with Donegal Borough dated May 2, 1995
2. Water Service Agreement with Donegal Township dated April 13, 1995
3. Water Service Agreement with Township of Mount Pleasant dated April 17, 1995
4. Shutoff Agreement with Borough of Ohiopyle dated December 5, 2013

Schedule 6.7

Seller's Rates

See Attached Authority Rate Sheet.

Water Service Rates*:

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Water Charge</u>
5/8" (residential)	\$ 12.00	\$1.80/100 gallons
3/4" (minimum commercial service)	\$ 18.00	\$1.80/100 gallons
1"	\$ 30.00	\$1.80/100 gallons
1-1/2"	\$ 60.00	\$1.80/100 gallons
2"	\$ 96.00	\$1.80/100 gallons
3"	\$192.00	\$1.80/100 gallons
4"	\$300.00	\$1.80/100 gallons
6"	\$600.00	\$1.80/100 gallons

TERMS OF PAYMENT: 10% Penalty after 20 days following date of presentation.
-Water Service Rates Revised Effective with November Billing 2023 -

*For all taps served in Stewart Township, Fayette County and funded by a Pennvest loan project, the minimum monthly charge is the meter size charge plus 3600 gallons of water.

Metered Tap Sizes:

5/8" Residential Service - Non-Sprinkler	\$ 2,000.00
3/4" Minimum Commercial Service	\$ 2,430.00
1"	See Water Tap Fee Schedule
1-1/2"	See Water Tap Fee Schedule
2"	See Water Tap Fee Schedule
3"	See Water Tap Fee Schedule
4"	See Water Tap Fee Schedule
6"	See Water Tap Fee Schedule

- Tap Fees Revised Effective October 23, 2020 -

Deposits:

Standard Residential Tap per Premise (5/8" Meter)	\$75.00
Commercial	Est. gross monthly bill + 1 month

Payment Policy

All payments received are applied first to interest and penalty then to principal.
Unpaid balances on non-monthly water service invoices (more than 30 days) charged @ rate of 1/2%/month or 0.00017% /day.

Bulk Water Sales:

\$19.00 per 1,000 gallons (2,000 gallon minimum)
- Revised November, 2023 -

Fire Protection:

Std. Hydrant Installation	Installed at Cost
Annual Maintenance Fee	Incorporating Municipality: \$ 60.00
	Municipal: \$100.00
	Private: \$125.00
Sprinkler Service Connection	Cost per Tap Sizing
Sprinkler Annual Maintenance Fee	See attached chart.

Administrative:

Written Certifications	
Standard (Five Business Days)	\$ 25.00
Express (24 Hr. Service)	\$ 40.00
Municipal Lien Filing Fee	\$250.00
NSF (Check Charges)	\$ 35.00
Copy Fee (Per face page copied, 8-1/2"x11")	\$.25
Fax Fee (Transmission-Per Minute, 8-1/2"x11")	\$ 2.00
Collection Fee (anytime money is collected in the field)	\$ 30.00
Administrative Filing Fee	\$ 50.00
Bad Debt Fee	\$ 50.00

Meter Testing:

<u>Meter Size</u>	<u>Charge</u>
5/8" - 1"	The actual cost of conducting test (minimum fee of \$75.00)
1-1/2" - 2"	The actual cost of conducting test (minimum fee of \$125.00)
Greater than 2"	The actual cost of conducting test (minimum fee to be determined at time of request, based on meter size)

Project Charges:

Inspection - (Per Hour)	\$ 75.00
Mileage - (Per Mile)	\$ 2.00
Water Sampling - (Bacti) (Per sample)	\$ 75.00
- All other Lab fee + \$50.00 per sample)	Per Sample
Communication - (Per week) Phone & Radio	\$ 50.00
Administration Fee - (Per Hour)	\$ 100.00

Maintenance Charges:

Basic Service Charge - Next business day + scheduled at our convenience + per hour	\$ 40.00
Same Day Service Charge - If request for service made before 12:00 Noon + per hour	\$ 50.00
Emergency Service Charge (normal business hours) - If we need to leave and interrupt current job task to address a concern for a customer + per hour	\$ 70.00
Emergency Service Charge (abnormal business hours) - Service calls initiated before 7:00 a.m or after 3:00 p.m. on normal business day, and all weekend and holidays + per hour (per hour, 1 hour minimum).	\$ 90.00
Standard Restoration of Water Service Charge	\$ 40.00
Delinquent Restoration of Water Service Charge	\$ 50.00
Hourly Rate For Service Work (One Man) Normal Business Hours	\$ 55.00
Hourly Rate for Abnormal Business Hour Service Work (Per Man)	\$ 70.00
Meter Seal Tampering/Replacement	\$ 50.00
Mileage (Per Mile)	\$ 2.50
Backhoe (Per Hour)	\$ 75.00
Excavator (Per Hour)	\$100.00
Dump Truck (Per Hour)	\$ 50.00
Vacuum Truck (Per Hour)	\$150.00
Dump Truck & Trailer (Per Mile)	\$ 5.00
Service Truck (Per Hour)	\$ 35.00
Pumping Rate Charge (Per 1000 gals.)	\$ 1.00
Hydrant Flow Test - Basic Service Charge + Hourly rate	
Boring Machine (per hour)	\$ 25.00

Maintenance Charges: -continued

Basic setting of residential or commercial water meter facilities in a meter pit where customer provides materials, excavation, and restoration.

3/4" tap \$150.00

1" tap \$200.00

Basic setting of residential or commercial water meter facilities in a meter pit where customer provides materials, and restoration. Authority provides for excavation at the time the new tap is installed.

3/4" tap \$250.00

1" tap \$300.00

INDIAN CREEK VALLEY WATER AUTHORITY
2024 SCHEDULE OF TAP FEES
AND
FIRE PROTECTION CHARGES

Water Tap Fee by Meter Size
(Effective October 23, 2022)

Meter Size (inch)	5/8" x 3/4"	3/4"	1"	1-1/2"	2"	3"	4"	6"	8"
Capacity (gpm)	10	15	25	50	80	160	250	500	800
Equivalent Factor	1	1.5	2.5	5	8	16	25	50	80
Capacity Charge	\$ 390.00	\$ 585.00	\$ 975.00	\$1,950.00	\$ 3,120.00	\$6,240.00	\$9,750.00	\$19,500.00	\$31,200.00
Distribution Charge	\$ 450.00	\$ 675.00	\$ 1,125.00	\$2,250.00	\$ 3,600.00	\$7,200.00	\$11,250.00	\$22,500.00	\$36,000.00
Total Tapping Fee Component	\$ 840.00	\$1,260.00	\$ 2,100.00	\$4,200.00	\$ 6,720.00	\$13,440.00	\$21,000.00	\$42,000.00	\$67,200.00
Customer Facilities Fee	\$ 740.00	\$ 750.00	\$ 860.00	\$1,260.00	\$1,470+D	Developer	Developer	Developer	Developer
Connection Fee	\$ 420.00	\$ 420.00	\$420+d	\$420+d	\$420+d	Developer	Developer	Developer	Developer
Total Water Tap Fee	\$2,000.00	\$2,430.00	\$3,380+d	\$5,880+d	\$8,610+D+d	\$13,440 + Developer	\$21,000 + Developer	\$42,000 + Developer	\$67,200 + Developer

d = Additional cost of water service line, labor, equipment and administrative costs above 3/4" diameter service line.
D = Additional cost of meter and accessories above 1-1/2" meter.
Developer = furnished and installed by the Developer.

Annual Fire Protection Charge
(Effective July 28, 2011)

Tap Size	2"	3"	4"	6"
Annual Charge	\$ 250.00	\$ 500.00	\$ 750.00	\$ 1,000.00

Schedule 6.9

PAWC 5-Year Capital Improvements

- (a) Investment Projects - Distribution:
 - (i) Mt. Tabor Road Tie-in
 - (ii) Bulk water fill station improvements
 - (iii) GIS Distribution System Mapping

- (b) Investment Projects – Production:
 - (i) SCADA upgrades
 - (ii) Ohiopyle Filtration Plant
 - (iii) Ohiopyle tank refurbishment
 - (iv) Tank rehabs (others)

- (c) Recurring Projects:
 - (i) New mains
 - (ii) Replacement/restoration of mains
 - (iii) Unscheduled mains
 - (iv) Relocation of mains
 - (v) New hydrants, valves and manholes
 - (vi) Replacement of existing hydrants, valves and manholes
 - (vii) New services and laterals
 - (viii) Replacement of existing services and laterals
 - (ix) Meter replacements
 - (x) ITS equipment and systems
 - (xi) SCADA equipment and systems
 - (xii) Security equipment and systems
 - (xiii) Offices and operations centers
 - (xiv) Vehicles
 - (xv) Tools and equipment
 - (xvi) Planning study

Schedule 6.10

Municipal Line Extensions

See Attached

**Current Estimated Number of Customers
to be Attached to Schedule 6.10**

Schedule 7.1

Employees

- Richard Orndorff
- Kolby Burkholder
- Derek Geary
- Logan Kemp
- Tristen Stepanic