

AGREEMENT FOR SALE OF UTILITY SYSTEM

THIS AGREEMENT ("*Agreement*"), is made and entered into this 17th day of May, 2022, by and between CENTRAL STATES WATER RESOURCES, INC., a Missouri corporation, or its assigns ("*Buyer*"), and TMJ, LLC a Mississippi limited liability company qualified and registered to transact business in the State of Mississippi ("*Seller*"), collectively ("*Parties*").

WHEREAS, Seller has developed and operates sewer facilities in the area more particularly described and depicted in the documents attached hereto as **EXHIBIT A**, situated in Rankin County, Mississippi (hereinafter the "*System*"); and

WHEREAS, Buyer is a corporation, organized and existing under the constitution and the laws of the State of Missouri, with all the requisite power necessary to enter into the transaction described hereinafter; and

WHEREAS, Seller is a limited liability company, organized and existing under the constitution and the laws of the State of Mississippi, with all the requisite power necessary to enter into the transaction described hereinafter; and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, all the assets, both real and personal, connected with the System including, but not limited to, all associated improvements for the conveyance of sewer to each of the customers connected to the service area; and

WHEREAS, the parties have reached an understanding with respect to the sale by Seller and the purchase by Buyer of all of the Property (as hereinafter defined) of the System.

NOW, THEREFORE, it is mutually agreed that:

1. **SALE OF PROPERTY**. For and in consideration of the receipt of the Purchase Price, as set forth below, and the covenants and promises hereinafter set forth, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, all of the following described property (the "*Property*");

A. The land, improvements thereon, easements, rights of way, permits, and leases, and other real property interests used or useful for operation of a sewer system in the System area depicted on **EXHIBIT A** and/or generally described in **EXHIBIT B**, attached hereto, located in Rankin County, Mississippi;

B. All of Seller's sewer service facilities, including but not limited to: All sewer lines, pipes, lagoon(s), treatment plant(s), pump/lift station(s), tanks, meters, valves, manholes, and any other appurtenances of the sewer system, and all machinery, equipment, supplies and other tangible items primarily used in connection with the sewer system;

C. Any additional tools, devices, vehicles, mobile work equipment, furniture, fixtures, machinery, supplies and other tangible items, if any, located in Rankin County, Mississippi, and primarily used or held for use in connection with the System as described in **EXHIBIT C**, attached hereto;

D. All of Seller's rights, title and interest in and to those agreements set out and described in **EXHIBIT D**, attached hereto;

E. All of Seller's rights, title and interest in and to any and all warranties, bonds or other financial assurances or guaranties, pertaining to, allocable to or arising out of the provision of sewer service and/or the System;

F. All of Seller's inventory, merchandise, and supplies pertaining to sewer service; and

G. All assets not described which are located in Rankin County, Mississippi, and used or useful to operate the System, expressly excepting therefrom, and from any other assets described in the paragraphs above of this Section, any and all cash, cash equivalents and banking deposits in existence prior to the Closing, any and all accounts receivable accrued prior to the Closing, and any customer deposits held by Seller.

2. **CONVEYANCES OF REAL ESTATE.** The real estate to be conveyed by Seller will include all facilities described herein and all interest of Seller in any sewer and other utility easements. The real estate will be conveyed by general warranty deed, in a form satisfactory to Buyer, and will vest marketable title in fact in the Buyer. Easements shall be assigned by written assignment or other means, in a form satisfactory to Buyer.

At Buyer's expense, Buyer shall obtain, at least thirty (30) calendar days prior to the Closing, a Commitment to issue an Owner's Policy of Title Insurance to Buyer in the amount of the Purchase Price issued by a company authorized to issue title insurance in the state of Mississippi, which policy shall insure the owner's title to be marketable as the same is described and defined in Title Examination Standards of The Mississippi Bar ("*Title Standards*"). After delivery of said title insurance commitment and Buyer's completion of the examination and/or review of the commitment and other relevant title information, Buyer shall notify Seller, in writing, of any objections thereto (the Parties agreeing that any objection falling within the said Title Standards shall not constitute a valid objection so long as Seller furnishes affidavits or other papers as described in such standards in order for the title company to delete the same). If there shall be no such notice of objection, then any exceptions in such Commitment or deficiencies in the title to the property noted on such Commitment shall be deemed waived and delivery of a deed in compliance with the terms of the Commitment shall be deemed compliance with the terms of this Agreement. If notice of any objections to defects in the title, as defined above, shall be delivered to Seller, then Seller shall have five (5) business days to correct the title and the Closing shall be postponed until such time, if necessary. If Seller elects not to, or cannot, correct such defects, then Buyer, at Buyer's option, may waive such defects and proceed to close or may cancel the contract and all obligations hereunder shall be null and void.

3. **REGULATORY APPROVAL.** Seller and Buyer shall act diligently and cooperate with each other to obtain any regulatory approvals required from the Mississippi Public Service Commission ("*MPSC*"), Mississippi Department of Environmental Quality ("*MDEQ*"), Mississippi State Department of Health ("*MSDH*"), or any other regulatory agency in the state of Mississippi, as determined by Buyer in its sole discretion, and to obtain transfer of Seller's permits, if any. Buyer and Seller agree to assist the other in this process when requested to do so.

4. **PURCHASE PRICE.** Buyer agrees to pay to Seller at the Closing [REDACTED] for purchase of the Property ("*Purchase Price*").

5. **CLOSING.** The Closing of the sale shall take place at a mutually agreeable location no later than forty-five (45) days after the effective date of any necessary regulatory authority approval, satisfaction of Seller's Representations and Warranties and Conditions Precedent set forth herein, and Buyer having obtained financing under terms acceptable to Buyer in Buyer's sole discretion, or at such other time as the parties hereto may mutually agree (the "*Closing*"). At the Closing, Seller shall have delivered to Buyer such deeds, bills of sale, endorsements, assignments and other sufficient instruments of transfer and conveyance as shall be effective to vest in Buyer such title to the Property to be sold as provided in this Agreement and as set forth in Section 6.D, and Buyer will deliver to Seller the Purchase Price. From time to time, at Buyer's request and expense, whether at or after the Closing and without further consideration, Seller shall execute and deliver such other instruments of conveyance and transfer and take such other action as Buyer reasonably may require to more effectively convey and transfer to Buyer any of the Property to be sold hereunder, and will assist Buyer in the collection or reduction to possession of such Property. Buyer will pay all sales, transfer and documentary taxes, if any, payable in connection with the sale, transfers and deliveries to be made to Buyer hereunder. All ad valorem real estate taxes and assessments levied or assessed against the Property shall be prorated according to the calendar year as of the Closing based on the most recent tax bill and assessments levied for the same, and Buyer shall receive a credit against the Purchase Price for the amount of taxes owed by Seller at the time of the Closing. Buyer shall pay the costs of recording all instruments required for the Closing to occur, the fees charged by the title company, and Buyer's attorneys' fees. Seller shall pay for all attorneys' fees incurred by Seller.

On the date of the Closing, Buyer shall accept and assume ownership and title to the Property to be conveyed hereunder and Buyer shall assume liability, and become responsible, for all obligations in connection with the Property going forward, excepting responsibility for any liabilities and/or obligations of Seller in connection with the Property that existed prior to the date of the Closing.

6. **SELLER'S REPRESENTATIONS AND WARRANTIES.**

Except as set forth in Exhibit E, the Seller represents and warrants as follows:

A. **Organization and Standing of Seller.** Seller is a limited liability company, organized and existing under the constitution and laws of the State of Mississippi in good standing with the Mississippi Secretary of State and Seller has all the requisite power and authority to sell the Property pursuant to the terms of this Agreement.

B. **Liabilities.** All liabilities or obligations of Seller, whether accrued, absolute, contingent or otherwise pertaining to or arising out from the Property are liabilities and obligations of the Seller and shall remain the obligations of Seller after the date of the Closing.

C. **Absence of Certain Changes.** After Buyer's inspection and acceptance of the Property, there shall not be:

i. Any material change in the use of the Property in connection with the business or operations of the System;

ii. Any damage, destruction or loss whether or not covered by insurance, materially and adversely affecting the Property.

D. **Title to Properties.** Within twenty (20) days prior to the Closing and with Buyer's assistance, Seller shall have obtained the legal right to transfer all of the Property. To the best of Seller's knowledge, unless Seller has disclosed any information in writing to the Buyer to the contrary, Seller owns the Property to be sold under this Agreement, in all cases, free and clear of all liens, mortgages, pledges, leases, options, rights of first refusal, conditional sales agreements, encumbrances or other charges, except liens for taxes not yet due or payable, easements or right of ways, streets, railways, pipelines, electric transmission and distribution lines, telephone lines, drainage rights and other similar rights or restrictions of record which do not, either individually or in the aggregate have a materially adverse effect on the value or utility of the Property to be sold hereunder.

Notwithstanding, but not in limitation of, the foregoing, Seller agrees to work with Buyer's surveyor prior to closing to establish, at Buyer's expense, the property boundaries and easement locations and to create a written plat of the distribution and collection lines showing the location of said lines with respect to lot lines, platted utility easements, if any, to the extent the same can be shown with reference to such lot lines and platted utility easements.

Within twenty (20) days prior to the Closing and with Buyer's assistance, Seller agrees to have identified any and all interests in land (including easements or license agreements) it has obtained in connection with its operation and maintenance of the System and will provide Buyer or Buyer's representatives copies of the same or a reference to the book and page number of the records of the Rankin County Recorder's Office where such easements are recorded. The cost of such identification and any related search being the sole responsibility of the Buyer.

Buyer shall have until twenty (20) calendar days prior to the Closing to determine: 1) if Seller lacks an easement or other interest necessary for operation of the System or 2) an easement is defective in title or interest conveyed. If it appears that Seller lacks a valid easement for any portion of the System, or any easement identified suffers from a defect in title or interest conveyed, Buyer at its option and in its sole discretion may: 1) cancel this Agreement, 2) independently negotiate with the owner of the affected property

toward acquisition of the treatment plant and collection lines easements or other easements, 3) notify Seller that Buyer will cancel the Agreement unless a necessary easement is acquired or a defect satisfactorily cured or remedied, and 4) undertake any action, which in Buyer's sole and absolute discretion, would correct an easement or remedy the situation caused by a lack of an easement or proper land interest. Buyer's failure to cancel this Agreement, however, shall not relieve Seller from any of its duties of indemnification set forth in subsequent paragraphs herein, nor shall such failure be construed as Buyer's waiver of any such provisions.

E. **Authority to Operate.** The Property, as described at Section 1 of this Agreement, constitute all of the assets presently owned by the Seller pertaining to the System. Seller agrees that from the Effective Date until either the termination of this Agreement or until after the Closing that Seller will not file any notices, requests, compliance documents, pleadings, or any other documents with any governmental or quasi-governmental authority that has jurisdiction over Seller in the operation, regulation or oversight of the System or any other endeavors of Seller (whether related to the System or not) without first providing at least ten (10) days prior notice to the Buyer for review and comment on such filing.

F. **Litigation.** To the best of Seller's knowledge, there is no litigation or proceeding pending, or to the knowledge of Seller threatened, against or relating to Seller, the Property, or the System, nor does Seller know, or have reasonable grounds to know, of any basis for any such action, or of any governmental investigation relative to Seller, the Property, or the System, except as otherwise disclosed to Buyer. The provisions of this paragraph notwithstanding, Seller has disclosed to Buyer the status of the System insofar as the MPSC.

G. **No Violation or Breach.** The performance of this Agreement by Seller, including any preconditions or surviving warranties or representations, is not in violation of any laws, statutes, local ordinances, state or federal regulations, court orders or administrative order or ruling, nor is such performance in violation of any loan documents, conditions or restrictions in effect for financing, whether secured or unsecured.

7. **BUYER'S REPRESENTATIONS AND WARRANTIES.**

Buyer represents and warrants as follows:

A. **Organization and Standing of Buyer.** Buyer is a corporation organized, existing under the constitution and laws of the State of Missouri in good standing, and has the requisite power to purchase the Property which are to be sold pursuant to the terms of this Agreement.

B. **Authority.** The execution and delivery of this Agreement by Buyer and the purchase of the Property as contemplated hereby have been duly authorized by Buyer, and all necessary action on the part of Buyer has been taken to authorize the execution and delivery of this Agreement and to consummate the sale contemplated hereby.

C. **Buyer to Maintain Liability Insurance.** During the Buyer's ownership of the Assets, Buyer will maintain Commercial Liability insurance in the minimum amount of \$1,000,000 per person/per occurrence which insurance shall be provided by a carrier with an A- or better A.M. rating and admitted to issue such insurance in the State of Mississippi and not a surplus lines carrier. Buyer's obligation in this respect shall continue for so long as Buyer, its successors and assigns, operates the sewer system, and Seller maintains a controlling interest in and to the real property immediately adjacent to the lagoon.

D. **As-Is Purchase.** Buyer hereby agrees to purchase the Property in its current condition as is without any warranties express or implied other than such warranties or representations as set forth herein.

8. **CONDITIONS PRECEDENT FOR BUYER TO CLOSE.** All obligations of Buyer under this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions:

A. **Regulatory Approval.** The MPSC, MDEQ or MSDH shall have, if necessary, authorized

or approved the sale, transfer or disposition of the Property to Buyer from Seller, the proposed financing, and any schedule of compliance for proposed utility improvement projects for regulatory compliance deemed necessary by Buyer, each in form and substance (including without limitation with respect to the terms and conditions contained in such approval) acceptable to Buyer in Buyer's sole and absolute discretion. Both Parties shall diligently pursue the required approvals and authorizations contemplated herein. In the event the Parties are unable to obtain the required regulatory approval or authorization to complete the transactions contemplated herein, Buyer may terminate this Agreement by providing written notice to Seller at Buyer's sole and absolute discretion.

B. **Representations and Warranties True at Closing.** Seller's representations and warranties contained in this Agreement shall be true at the time of the Closing as though such representations and warranties were made at such time.

C. **Performance.** Seller shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by Seller prior to or at the closing; including the payment of all taxes and assessments, or portions thereof, attributable to periods prior to or ending on the date of the Closing, to include MPSC assessments.

D. **Feasibility.** Completion of Buyer's examination, testing and inspection of the Property, the securing of any and all licenses, permits or governmental approvals Buyer deems necessary for Buyer's proposed uses of the Property, and any other due diligence determined by the Buyer as necessary in order to determine the feasibility of this acquisition, the results of any of the foregoing to be satisfactory to Buyer, in its sole and absolute discretion. For purposes of this Agreement, the period from the date this Agreement is fully executed by both parties to the date that is twenty (20) days prior to the Closing, shall be referred to herein as the "*Inspection Period*." During the Inspection Period, Buyer, its employees, agents and contractors, shall have the right to enter onto any property owned by Seller that is related to the operation of the System, as it deems necessary or desirable, on reasonable prior notice to Seller to perform and complete architectural, environmental, engineering and/or other surveys, studies, inspections and tests on the Property; to review zoning laws and applicable building codes; to obtain all necessary city, county, and state zoning approval, site plan or subdivision approvals, licenses and permits to authorize the uses of the Property as intended by Buyer.

E. **No Casualty.** The Property shall not have been adversely affected in any material way as a result of any strike, lockout, accident or other casualty or act of God or the public enemy, or any judicial, administrative or governmental proceeding.

F. **Buyer's Right to Terminate.** If Buyer determines, in its sole and absolute discretion, that any of the aforementioned conditions have not been met, Buyer shall have the right to terminate this Agreement at any time prior to the Closing upon written notice to Seller.

9. **CONDITIONS PRECEDENT FOR SELLER TO CLOSE.** All obligations of Seller under this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions:

A. **Representations and Warranties True at Closing.** Buyer's representations and warranties contained in this Agreement shall be true at the time of the Closing as though such representations and warranties were made at such time.

B. **Performance.** Buyer shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by Buyer prior to or at the Closing.

10. **INDEMNIFICATION.**

1. Seller shall, and hereby does agree to indemnify and hold harmless Buyer, at any time after the Closing against and in respect of:

A. All liabilities or obligations of Seller, whether accrued, absolute, contingent or otherwise, and including all liabilities or obligations arising out of the transactions entered into, or any state of facts existing, prior to the date of the Closing, including, without limitation, such liabilities or obligations as are described in paragraph B of Section 6 hereof;

B. Any claim, damage or deficiency resulting from any misrepresentation, untrue warranty, breach of warranty, or nonfulfillment of any agreement on the part of Seller under this Agreement or from any misrepresentation in or omission from any certificate or other instrument furnished or to be furnished to Buyer under this Agreement;

C. Any claim, liability, damage or obligation arising out of or attributable to, directly or indirectly, the storage or disposal of hazardous waste or materials prior to the date of the Closing that was known to Seller and not disclosed to Buyer by Seller prior to the Closing;

D. All actions, suits, proceedings, demands, assessments, judgments, costs (including attorney's fees) and expenses incident to any of the foregoing.

Seller shall reimburse Buyer, on demand, for any payment involuntarily made, required by law to be made, or with the consent of Seller made by Buyer at any time after the date of closing in respect of any liability, obligation or claim to which the indemnity and hold harmless by Seller contained in this section relates.

2. Buyer shall, and hereby does agree to indemnify and hold harmless Seller, at any time after the Closing against and in respect of:

A. All liabilities or obligations of Buyer, whether accrued, absolute, contingent or otherwise, and including all liabilities or obligations arising out of the transactions entered into, or any state of facts existing, after the date of the Closing;

B. Any claim, damage or deficiency resulting from any misrepresentation, untrue warranty, breach of warranty, or nonfulfillment of any agreement on the part of Buyer under this Agreement;

C. Any claim, liability, damage or obligation arising out of or attributable to, directly or indirectly, the storage or disposal of hazardous waste or materials after the date of the Closing;

D. All actions, suits, proceedings, demands, assessments, judgments, costs (including attorney's fees) and expenses incident to any of the foregoing.

Buyer shall reimburse Seller, on demand, for any payment involuntarily made, required by law to be made, or with the consent of Buyer made by Seller at any time after the date of closing in respect of any liability, obligation or claim to which the indemnity and hold harmless by Buyer contained in this section relates.

11. **FEES AND COMMISSIONS.** Each Party represents that it has not retained any broker or finder and is not paying, and is not obligated to pay, any finder's fee, commission or other transactional fee in connection with the transactions contemplated by this Agreement. Each Party shall pay its own fees for attorneys, accountants, appraisers or others engaged by it in the course of negotiating or executing this Agreement and in closing and completing the transactions hereunder provided. Fees for professional advisors retained jointly by the Parties for their mutual benefit shall be equally divided.

12. **HAZARD INSURANCE & CASUALTY LOSS.** Seller shall maintain any current hazard insurance in force on the Property until the Closing. The risk of loss to the Property shall pass to Buyer upon delivery of possession of the Property to Buyer. If an event of casualty occurs to the Property prior to the Closing, the Buyer may elect to either move to the Closing and accept any insurance proceeds as full satisfaction for the damage to the Property or the Buyer may terminate this Agreement. Buyer shall notify Seller as to which option it elects within five (5) days prior to the Closing.

13. **BENEFIT.** All of the terms of this Agreement shall be binding upon, and inure to the benefit of, and be enforceable by, the respective legal representatives of Seller, its successors and assigns, and the successors and assigns of Buyer.

14. **GOVERNING LAW.** This Agreement is being delivered and is intended to be performed in the State of Mississippi, and shall be construed and enforced in accordance with the laws of such state. The exclusive venue for any dispute arising under this Agreement shall be in the appropriate state court in Rankin County, Mississippi.

15. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This Agreement shall not be binding until executed by all Parties.

16. **NO THIRD-PARTY BENEFICIARIES.** This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

17. **ENTIRE AGREEMENT.** This Agreement (including the documents referred to herein) constitutes the entire agreement among the Parties and supersedes any prior understandings, agreements or representations by or among the Parties, written or oral, to the extent they have related in any way to the subject matter hereof.

18. **SUCCESSION AND ASSIGNMENT.** This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. Buyer shall be permitted to assign its rights in this Agreement to an affiliated entity that the Buyer controls without need of consent by the Seller by providing written notice to the Seller of such assignment. Other than the foregoing permitted assignment, no Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of Buyer and Seller, said approval not to be unreasonably withheld.

19. **HEADINGS.** The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

20. **NOTICES.** All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section, shall be addressed to the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered: (a) upon receipt when hand delivered during normal business hours (provided that, notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received); (b) upon receipt when sent by facsimile if sent between the hours of 8:00 a.m. and 5:00 p.m. (the recipient's time) on a business day to the number set forth below with written confirmation of a successful transmission by the sender's facsimile machine; (c) when sent by electronic mail if (1) identified in the subject line as a notice under this Agreement, (2) sent between the hours of 8:00 a.m. and 5:00 p.m. on a business day to the email address set forth below, and (3) acknowledged as received by the recipient, by reply or separate email, (d) upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that, the sender has in its possession the return receipt to prove actual delivery); or (e) one (1) business day after the notice has been deposited with FedEx, United Parcel Service or other reliable overnight courier to be delivered by overnight delivery (provided that, the sending party receives a confirmation of actual delivery from the courier). The addresses of the parties to receive notices are as follows:

If to Buyer:

Josiah Cox, President
Central States Water Resources, Inc.
1630 Des Peres Road, Suite 140
St. Louis, MO 63131
Facsimile: (314) 238-7201

With a Copy to:

James A. Beckemeier
Beckemeier LeMoine Law
13421 Manchester Rd., Suite 103
Saint Louis, Missouri 63131
Phone: (314) 965-2277
Facsimile: (314) 965-0127
E-mail: jim@bl-stl.com

If to Seller:

TMJ, LLC
Attn: Matt McWilliams
211 Commerce Drive
Brandon, Mississippi 39042
Phone: (601) 622-8817
Facsimile: (601) 825-0950 Email: matt@thrashco.com

With a Copy to:

Mark C. Baker, Esq.
Baker Law Firm, P.C.
P.O. Box 947
Brandon, MS 39043-0947
Facsimile: (601) 824-7456
Email: mark@blfmail.com

Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Party notice in the manner herein set forth.

21. **AMENDMENTS AND WAIVERS.** No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by Buyer and Seller. No waiver by any party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

22. **SEVERABILITY.** Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

23. **EXPENSES.** Buyer and Seller shall each bear its own costs and expenses (including legal and accounting fees and expenses) incurred in connection with the preparation of this Agreement and activities necessary for the Closing.

24. **CONSTRUCTION.** The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation.

25. **INCORPORATION OF EXHIBITS.** The Exhibits identified in this Agreement are incorporated herein by reference and made a part hereof.

26. **DEFAULT; ATTORNEY'S FEES.** If either Party shall default in their performance under this Agreement, which default results in the expenditure of attorneys' fees to enforce the terms of this Agreement or to recover damages for breach of this contract, then the prevailing party shall be entitled to receive their reasonable and actually incurred attorneys' fees and costs in addition to any other damages that the Party is entitled to recover at law or in equity.

27. **AUTHORITY TO EXECUTE.** Each person whose signature appears hereon represents, warrants and guarantees that he or she has been duly authorized and has full authority to execute this Agreement on behalf of the party on whose behalf this Agreement is executed.

28. **CONFIDENTIALITY.** Buyer and Seller shall keep confidential this Agreement, this transaction, and all information learned in the course of this transaction, except to the extent disclosure is required by law or court order or to enable third parties to advise or assist Buyer to conduct its due diligence or either party to close this transaction.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the day and year first above written.

SELLER:

TMJ, LLC

By: Matt McWilliams
Matt McWilliams, Member

BUYER:

CENTRAL STATES WATER RESOURCES,
INC.

By: Josiah Cox
Josiah Cox (May 17, 2022 18:03 CDT)
Josiah Cox, President

EXHIBIT A

Service Area Description

[SERVICE AREA MAP & LEGAL DESCRIPTION TO BE FINALIZED PRIOR TO CLOSING]

EXHIBIT B

Description of Land, Improvements thereon, Easements, Rights of Way, Permits and Leases
(The legal description(s) of the Land, Improvements thereon, Easements, Rights of Way shall be determined by survey and title commitments, which shall be inserted prior to the Closing).

[TO BE FINALIZED PRIOR TO CLOSING]

The following described lots, tracts or parcels of land, lying, being and situate in the County of Rankin State of Mississippi:

All interests in land used or useful in operation of the Sewer System that services the area set forth on **EXHIBIT A**, including but not limited to easements, rights of way and permits, and including the real property described in Commitment File No. [FILE NUMBER], issued by [TITLE COMPANY], as agent for [UNDERWRITER].

EXHIBIT C

Personal Property and Equipment
(meters, tools, devices, mobile work equipment, furniture, fixtures, machinery, supplies, and other tangible items)

[TO BE FINALIZED PRIOR TO CLOSING]

All Property set forth herein shall be transferred to Buyer free and clear of all liens, pledges, leases, options, rights of first refusal, conditional sales agreements or any other such encumbrances.

All personal property comprising the Sewer System that services the area set forth on **EXHIBIT A**, including but not limited to, the sewer lines, pipes, lagoon(s), treatment plant(s), pump/lift station(s), tanks, meters, valves, and any other appurtenances of the Sewer System, and all machinery, equipment, supplies and other tangible items primarily used in connection with the Sewer System.

Additional Personal Property

EXHIBIT D

Rights Via Agreements, Contracts, Misc.

[TO BE FINALIZED PRIOR TO CLOSING]

EXHIBIT D

Exceptions from Representations and Warranties

Seller represents and Buyer acknowledges that portions of the sewer lines and other equipment utilized in the provision of sewer service to the individual customer accounts ("sewer system") is located on property over which the Seller DOES NOT own or have a deeded easement. Seller does represent that except for any sewer lines and related equipment located public rights-of-way, it has maintained and utilized said such sewer lines and equipment located on private property of those other than Seller for a period in excess of ten (10) years and that at all times relevant its ownership and maintenance and use of such lines and equipment has been open, notorious, exclusive, adverse and continuous, to the exclusion of all others. Seller represents and Buyer further acknowledges that any sewer lines and related equipment subject to this Agreement located within public rights-of-way are subject to continued use by approval of the appropriate governmental entity having jurisdiction thereof. Seller further represents and Buyer further acknowledges that Seller does not possess a Certificate of Public Convenience and Necessity from the Mississippi Public Service Commission for the operation of a sewer system for individual customers. Buyer acknowledges that the sewer system as originally installed was to be used exclusively for businesses of the then owner who was not the Seller, and thereafter prior to the purchase of the same by Seller, and after, the sewer system was expanded, at the request of those customers, to provide sewer service to non-owned units, for a moderate monthly fee. Seller represents it has a Permit for Discharge issued by the Mississippi Department of Environmental Quality, a copy of which is attached hereto as Exhibit E-1. Copies of discharge reports prepared by Seller's Operator are attached hereto as Exhibit E-2. To the best of Seller's knowledge, the discharge reports are true and correct; however, Seller does not warrant or represent the correctness of the same otherwise in this respect.

EXHIBIT E

Permit and Discharge Reports






AGREEMENT FOR SALE OF UTILITY SYSTEM (TMJ) - Final

Final Audit Report

2022-05-17

Created:	2022-05-17
By:	Kimberly Faulkner (kfaulkner@cswrgroup.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAE-NtPGt7ExffDnsH-1OIdrH68JT54RPU

"AGREEMENT FOR SALE OF UTILITY SYSTEM (TMJ) - Final" History

-  Document created by Kimberly Faulkner (kfaulkner@cswrgroup.com)
2022-05-17 - 6:58:56 PM GMT- IP address: 68.3.235.228
-  Document emailed to Josiah Cox (jcox@cswrgroup.com) for signature
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