

Service Level and Operating Agreement

Big Canoe

This Service Level and Operating Agreement (hereinafter the "Agreement") is made and entered into by and between Big Canoe Property Owners Association, Inc., on behalf of itself and its members (hereinafter the "Association"), and Utilities, Inc. of Georgia (hereinafter "Utilities") (collectively, the "Parties") this ~~18th~~ day of April, 2018.

WITNESSETH

WHEREAS, pursuant to a November 29, 1984 Trust Deed, as amended (the "Trust Deed"), Big Canoe Utilities Company, Inc.'s ("BCUC") predecessor-in-interest transferred to the Association to hold in trust for the residents of the Big Canoe Community ("Big Canoe") the water system serving Big Canoe (the "Utility System");

WHEREAS on January 11, 2018, the Association filed a legal action against BCUC in Pickens County Superior Court, Case No. 2018-SUCV-9, in which the Association alleged, in part, that BCUC had failed to allow access to inspect the Utility System (the "Pending Lawsuit");

WHEREAS, the Association has advocated legislation for the creation of a Big Canoe Water & Sewer Authority; and

WHEREAS, the Parties have engaged in discussions to identify a path forward enabling Utilities to acquire the Utility System, subject to the Trust Deed as amended, including the Third Amendment; and

WHEREAS, the Parties have agreed that significant capital investment is needed to improve service levels, maintenance, and continuity of service to Big Canoe; and

WHEREAS, the Association and Utilities have reached agreement on the appropriate levels of service intended to be achieved through Utilities' capital investments in the Utility System and the measurement through key performance indicators as set forth in Exhibits A and B to this Agreement;

NOW, THEREFORE, in consideration of the premises and mutual promises and agreements contained herein, it is agreed as follows:

- 1) Utilities will maintain the rates and charges for service to customers at Big Canoe that are in effect as of the date of this Agreement for no less than twenty-four (24) months from the date of the closing on the sale of BCUC's assets (hereinafter the "Closing").
- 2) The following process will apply to future Utilities service to all customers at Big Canoe:
 - a) Subject to Paragraph 1 above, Utilities may increase or decrease its rates to reflect recurring net increases or decreases in operation and maintenance expenses for service to customers at Big Canoe over year-end 2018 operation and maintenance expenses. Operation and

maintenance expenses shall be as recorded on Utilities' books, excluding depreciation expense.

- b) Subject to Paragraph 1 above, Utilities may increase its rates to recover capital expenditures made by Utilities after Closing for plant in service serving customers at Big Canoe. Utilities will amortize the investment as recorded on Utilities' books over the useful life of the asset. Unless changed by mutual agreement of Utilities and the Association, Utilities will apply a 12% return on the Net Book Value of all assets, including those allocated portions of shared assets such as IT systems, call centers, equipment, etc.. Utilities will provide the Association with 60 days prior notice of any rate increases.
- c) At all times, Utilities rates and charges shall be just and reasonable. Upon the Association's request Utilities will meet with the Association prior to implementing revised rates and charges.
- d) Within 45 days after closing, Utilities will provide the Association with a pro forma (i.e. projected estimate) financial statement for the Utility System for the remainder of 2018 in the form attached hereto as Exhibit C.
- e) Within 30 days of the completion of its annual audits, Utilities will provide the Association with the most recent year-end audited financial statements for Utilities, including trial balances in the form attached hereto as Exhibit C, along with any additional documentation directly supporting and related to any proposed rate adjustments and capital expenditures. The financial records will be certified by Utilities' independent public accountant.
- f) Utilities will use its best efforts to meet the Key Performance Indicators (KPI) goals set forth in the form attached as Exhibit A. Utilities will provide the Association with the KPI results on a quarterly basis commencing with the second quarter after Closing for the first 24 months and semi-annually thereafter. The Parties agree that KPI's are targets that have been established prior to Utility's acquisition of the Utility System, that Utility has minimal knowledge of the system as it does not yet have possession and that significant work needs to be completed in both capital improvements and operations to achieve the targets set in Exhibit A. KPIs shall not be used as a trigger or basis for takeover of the system by the Trustee under the Trust Deed.
- g) Subject to Paragraph 1 above, rate adjustments may be implemented no more frequently than annually, unless unforeseen extraordinary events such as catastrophic failures, fire or major weather events necessitate a mid-year adjustment, in which event Utilities will confer in good faith with the Association on its adjustments provided that the Association has no approval right for such adjustments.

3. Utilities will make the following system improvements and provide the following reports:

- a) Utilities will undertake system improvements to serve Big Canoe and has provided a preliminary capital plan in Exhibit B, which shall include a rehabilitation and/or replacement of specifically identified storage vessels, pipe, valves, collection and treatment. The Utility System will be operated and maintained with the goal of providing the appropriate water pressure required by the Georgia Environmental Protection Division and as not to cause adverse or damaging pressures at each residence. Capital improvements will be focused to reduce overall system water loss and establish more consistent system pressures.

Utilities' pre-closing capital plan will provide an initial capital plan investment of at least \$8,793,059 in system improvements through 2022, unless the Utility System requires a higher amount provided, however, that system improvements will not be limited to projects needed to meet regulatory requirements or level of service delivery. The entire investment including any necessary additions to meet regulatory requirements or maintain reasonable and reliable service will be included as capital improvements upon which Utilities may earn a return pursuant to paragraph 2(b) above. The Parties understand and anticipate that Utilities may have modifications to Exhibit B and that any modifications will be subject to review but not approval by the Association.

- b) By December 31, 2018, Utilities will provide the Association with a detailed report on system water pressure, water loss, reserve capacity, wastewater treatment and effluent disposal. Utilities and the Association will then confer upon required system improvements and any changes to the plan set forth in Exhibit B.
- c) Thereafter, on at least a semi-annual basis, Utilities shall provide to the Association its five-year capital improvement plan, including projected costs, for service to Big Canoe and a detailed report on system water pressure, water loss, reserve capacity, wastewater treatment, and effluent disposal. The Parties shall meet on at least a semi-annual basis to discuss Utilities' capital improvement plan and any other issues involving the provision of utility service to Big Canoe. Capital improvements in excess of \$3,000,000 per annum shall be subject to review by the Association unless required by environmental regulation or other requirement.
- d) In addition to its call center personnel, Utilities will have a person on-site during normal business hours to respond to questions or concerns raised by Utilities' customers.

- 4) Ninety (90) days after Closing, Utilities will provide the Association with any non-confidential records concerning the due diligence conducted by Utilities with regard to the maintenance and operation of the Utility System and/or its preliminary pre-closing capital improvement plan for the Utility System. Ninety (90) days after Closing, Utilities will permit access to the physical plant and system to members of the POA Board and its consultants for the purposes of understanding the condition and operations of the Utility System, Utilities' capital investment and/or proposed capital investment in the Utility System, and/or any other upgrade or improvement options. On an annual basis thereafter, Utilities will allow access to the physical plant and System, by appointment, to members of the POA Board and its consultants for the purposes of understanding the condition and operations of the Utility System, Utilities' capital investment and/or proposed capital investment in the Utility System, and/or any other upgrade or improvement options.
- 5) Immediately upon Closing, the Association will request the withdrawal of all legislative actions to establish a water and sewer authority for Big Canoe, including, if necessary, requesting the veto of any legislation that has passed the General Assembly. If the legislation has passed or does pass notwithstanding such request by the Association, the Association will not seek to implement the legislation or activate the authority, will request the Pickens and Dawson County Commissioners not to appoint the members of the authority, and will request that the legislation be repealed at the next session of the General Assembly.
- 6) Immediately upon closing, the Association will voluntarily dismiss the Pending Lawsuit and hereby irrevocably waives any right to assert against Utilities any claims or seek any damages or liabilities against Utilities that were or could have been raised by the Association in the Pending Lawsuit.
- 7) The Association will provide Utilities at no charge and upon request permanent easements to all current utility facilities on land currently owned by the Association. Utilities has the right to request permanent easements on Association property to expand those facilities subject to the Association's approval, which approval shall not be unreasonably withheld.
- 8) Upon the execution of this Agreement the Association, Utilities and BCUC will execute the Third Amendment To Trust Deed attached hereto as Exhibit D, which Amendment shall be effective upon Closing and recorded in Pickens County and Dawson County within five days of Closing.
- 9) The Parties each represent and acknowledge that in executing this Agreement they have not relied upon any written or oral representations or statements not expressly made a part hereof made by anyone with regard to the subject matter, basis, or effect of this Agreement. With the exception of the Trust Deed, including the Third Amendment, this Agreement embodies the entire agreement of the

Parties with respect to the subject matter hereof. All other statements relating to the subject matter hereof and writings which predate the execution hereof are superseded hereby.

- 10) The Parties each agree that any notice required under or relating to this Agreement shall be sent by certified mail as follows (or to such other address as the Association or Utilities may specify from time to time):

If to Big Canoe Property Owners Association, Inc.:

President
Big Canoe POA, Inc.
10586 Big Canoe
Jasper, Georgia 30143

and

Counsel
Rogers & Hardin LLP
2700 International Tower Peachtree Center
229 Peachtree Street, N.E.
Atlanta, Georgia 30303-1601

If to Utilities, Inc. of Georgia:

President
Utilities, Inc. of Georgia
2335 Sanders Road
Northbrook, 111inois 60062

and

General Counsel – Utilities Inc.
2335 Sanders Road
Northbrook, IL 60062

- 11) This Agreement shall be governed by and construed in accord with the laws of the State of Georgia. All claims arising under this Agreement shall first be resolved through mediation at a location in Big Canoe, before a single mediator selected by agreement of the Parties. If the Parties are unable to reach agreement, a mediator shall be selected by JAMS, Inc., Atlanta, Georgia. All claims that are not resolved by agreement shall be filed in a court of competent jurisdiction in Pickens County or Dawson County, Georgia. The Parties irrevocably submit themselves to the jurisdiction of said Court for all claims arising under this Agreement. The Court shall have the authority to enforce this Agreement by injunctive and declaratory relief and by an award of monetary damages

- 12) This Agreement may be amended or modified only by a written instrument signed by the Association and Utilities that expressly sets forth the Parties' intention to amend or modify this Agreement. No condition, term, or provision of this Agreement may be waived by any party except in a writing signed by the Party or its authorized representative that expressly sets forth the Party's intention to waive a condition, term, or provision of this Agreement.
- 13) This Agreement exists for the benefit of the Parties and their successors. It is not intended to and does not benefit persons not a signatory hereto, and there are no third-party beneficiaries hereof. The Parties agree that neither Party may assign this Agreement without the consent of the other Party which consent shall not be unreasonably withheld, except that Utilities may assign this Agreement to a wholly-owned subsidiary or to an affiliate wholly owned by Utilities' parent company.
- 14) In the event that Utilities seeks to sell just the Utility System to a third party, it shall provide the Association with notice and with a 90-day period in which to exercise a right of first refusal to purchase the Utility System (the "ROFR") for the amount offered by a bona fide purchaser. The notice (the "ROFR Notice") shall include the price for the proposed sale that have been offered by a third party. The Association may elect to exercise its ROFR by providing Utilities' with notice of such election within 90 days of the Association's receipt of the ROFR Notice. If the proposed sale is not closed then the Association shall continue to have a ROFR thereafter.
- 15) Utilities further agrees that all successors and assigns to Utilities, including any third party purchaser, shall be subject to this Agreement.
- 16) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 17) In the event that any provision of this Agreement is held to be void or unenforceable, such provision shall be modified to cure such defect and make such provision valid and enforceable in such a way that the Parties' respective material objectives can be met. The remaining provisions of this Agreement will nevertheless be binding upon the Parties and not in any way affected or impaired.

- 18) This Agreement shall be effective upon Closing of the acquisition of the Utility System by Utilities.

So agreed this 18th day of April, 2018.

Big Canoe Property Owners
Association, Inc.

By: Phillip R. Anderson

Its: PRESIDENT

Approved as to form:

Robert B. Remar

Counsel

Rogers & Hardin LLP


Attorney for Big Canoe Association, Inc.

Utilities, Inc. of Georgia

By: [Signature]

Its: President

Exhibit A

 Big Canoe KPI Tracking Reort 2018											
Targets are best guess prior to UIG ownership. Accurate targets will be set during 12-24 months of ownership as required capital investment is achieved to meet reasonable targets.											
Mission	Objectives	Measure	2017 Actual	2018-2019 Target	1Q18 Actual	2Q18 Actual	3Q18 Actual	4Q18 Actual	YTD Actual	YTD Target	YTD Variance B/(W)
Budget	O&M Budget Performance	Dollars (\$MM)	\$2.1	\$2.1							
	CapEx Budget Performance	Dollars (\$MM)	Unknown	\$0.80							
Customer Service	Customer Inquiries	% Calls Answered within 60 seconds	80%	80%							
		% Emails Answered within 2 Business Days	80%	80%							
	Field Activities Completed: On Time	% Completed By Due Date	96.8%	90%							
	On-Time & Accurate Meter Reads	% of On-Time Reads	94.6%	90%							
		% of Accurate Reads	99.3%	95%							
		% of Estimated Reads	1.8%	5%							
	Reduce Water Loss	%NRW and overall ILI (Infrastructure Leakage Index)	50%	45%							
	Improve Overall System Reliability	# Unplanned Outages	165	165							
		Implement and Maintain Local ERP	No	Yes							
	Provide Safe Drinking Water	% of Water System Days in Compliance	Unknown	95%							
Act with integrity, protect the environment and enhance the communities we serve	Maintain & Improve Compliance	% of Wastewater System Days in Compliance	Unknown	95%							
		Reduce SSO (Sanitary Sewer Overflows)	Unknown	20							
	Community Participation	% of Employee Participation	52.7%	50%							

All 2018-2019 Targets are set based on UIG performance prior to Big Canoe ownership & includes data from BCUC operator which cannot be verified as accurate or complete. All KPI's will be used to communicate progress & will not be used for any other purpose by Trustee. This report is considered confidential & cannot be shared outside Big Canoe POA Board.

Exhibit B

Big Canoe Preliminary Draft of Pre-Closing Capital Plan

	Asset/Project	Estimated Project Costs				
		Year 1	Year 2	Year 3	Year 4	Year 5
1	Blackwell Creek Raw Water Pump Station					
2	Blackwell Creek Finished Water Pump Station					
3	Blackwell Creek Finished Water Storage Tank			\$85,000		
4	1690 Storage Tank	\$70,000				
5	1900 Storage Tank		\$70,000			
6	2000 A- Storage Tank		\$100,000	\$304,000		
7	2000 B- Storage Tank	\$60,200				
8	2000 C- Storage Tank			\$75,000		
9	2300 Storage Tank				\$75,000	
10	2400 Storage Tank	\$80,000	\$228,000			
11	2430 Storage Tank		\$10,050			
12	2800 Storage Tank	\$77,000				
13	3150 Storage Tank	\$ 80,000	\$270,000			
14	1690 Booster Station					
15	1900 Booster Station					
16	2430 Booster Station					
17	Toland Booster					
18	2000 A- Pump Station					
19	2000 B- Pump Station					
20	Huckleberry trail VFD Pump Station					
21	2400 Pump Station					
22	2800 Pump Station					
23	Bell Flower Hydropneumatic					
24	Toland Hydropneumatic Station					
25	2000 C- Hydropneumatic Station		\$8,710			
26	2300 Hydropneumatic Station		\$10,100			
27	McElroy (2300) Transfer Station	\$150,000	\$200,000			
29	2430 Transfer Pump Station					
30	Pressure Reducing Valves 44 @ 6"x3" bp	\$450,000	\$630,000	\$900,000		
31	Pressure Reducing Valves 23 @ 4"x2" bp	\$173,913	\$313,043	\$313,043		
32	Pressure Reducing Valves 5 @ 2"			\$50,000	\$50,000	
33	All Associated Telemetry					
34	Water Loss Investigation	\$100,000	\$100,000			
35	GIS and Mapping	\$45,000	\$45,000			
36	Blackwell Creek Reservoir					
37	WTP Upgrades					\$350,000
38	Wtr Main Rplcmt		\$500,000	\$500,000	\$500,000	\$500,000
40	Asset Management/Improvement	\$100,000	\$100,000	\$100,000		
41	Meters	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
1	100 Lift Station					
2	400 Lift Station		\$140,000			
3	500 Lift Station		\$80,000			
4	600 Lift Station		\$80,000			
5	Swim Club Lift Station					
6	Buckskul WWTP		\$55,000			
7	Choctaw WWTP	\$20,000				
8	Tertiary trt plt @ S end Trotters Lane		\$45,000			
9	Tertiary treatment EQ Tank			\$100,000		
	TOTAL	\$1,506,113	\$3,084,903	\$2,527,043	\$725,000	\$950,000

Exhibit C

Utilities, Inc. Of Georgia
 Reconciliation of General Ledger to Audit Report
 Data as of December 31, 201x

Description	UITG Ledger Total	Big Canoe	The Orchard	The Landings	UITG Audited Financials
INCOME STATEMENT					
Operating Revenues					
Water	\$ -	\$ -	\$ -	\$ -	\$ -
Wastewater	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses					
Operation and maintenance	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation and amortization	-	-	-	-	-
Taxes-	-	-	-	-	-
Property and other general taxes	-	-	-	-	-
Income taxes	-	-	-	-	-
Total Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Income after Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Other (Income) Deductions					
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -
NET INCOME	\$ -	\$ -	\$ -	\$ -	\$ -
BALANCE SHEET					
ASSETS					
PROPERTY, PLANT AND EQUIPMENT, at cost:					
Plant in service-					
Water	\$ -	\$ -	\$ -	\$ -	\$ -
Wastewater	-	-	-	-	-
Other	-	-	-	-	-
Gross Plant in Service	\$ -	\$ -	\$ -	\$ -	\$ -
Less-					
Accumulated depreciation	\$ -	\$ -	\$ -	\$ -	\$ -
Net Plant in Service	\$ -	\$ -	\$ -	\$ -	\$ -
Plant Under Construction	-	-	-	-	-
TOTAL PLANT, NET	\$ -	\$ -	\$ -	\$ -	\$ -
CURRENT ASSETS:					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Customer receivables	-	-	-	-	-
Prepayments and other assets	-	-	-	-	-
TOTAL CURRENT ASSETS	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -	\$ -
CAPITALIZATION AND LIABILITIES					
CAPITALIZATION:					
Common stock	\$ -	\$ -	\$ -	\$ -	\$ -
Paid-In Capital	-	-	-	-	-
Receivable from associated companies, net	-	-	-	-	-
Retained Earnings	-	-	-	-	-
Total Capitalization	\$ -	\$ -	\$ -	\$ -	\$ -
CONTRIBUTIONS IN AID OF CONSTRUCTION					
	\$ -	\$ -	\$ -	\$ -	\$ -
CURRENT LIABILITIES:					
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued taxes	-	-	-	-	-
TOTAL CURRENT LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -
DEFERRED CREDITS AND OTHER:					
Deferred income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-
Other liabilities and deferred credits	-	-	-	-	-
TOTAL DEFERRED CREDITS AND OTHER	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL CAPITALIZATION AND LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -

Hypothetical Rate Calculation
In Millions

	HYPOTHETICAL CAPITAL INVESTMENT & O&M				HYPOTHETICAL REVENUE REQUIREMENT CALCULATION			
	Gross Assets	Accum Depr	Net Book Value	O&M	12% Return	Annual Depreciation Expense	Change in O&M	Total Additional Revenue Required
Prior Year				\$ 2.09				
Capital Investment - Day 1	10.00	(0.15)	9.85					
Total Depreciated Capital Investment	2.50	(0.02)	2.48					
End of Year 1	\$ 12.50	\$ (0.17)	\$ 12.33	\$ 2.34	\$ 1.48	\$ 0.17	\$ 0.25	\$ 1.90
Total Capital Investment Day 1 Year 2	12.50	(0.36)	12.14					
Total Depreciated Capital Investment	2.50	(0.02)	2.48					
End of Year 2	\$ 15.00	\$ (0.38)	\$ 14.63	\$ 2.41	\$ 1.76	\$ 0.21	\$ 0.07	\$ 2.03

Hypothetical acquisition cost of \$10MM
Hypothetical capital investment of \$2.5M annually
Depreciation for all assets at 1.5% rate annually
O&M includes \$300K of hypothetical allocated costs
O&M Inflation increase of 3% each year (approximately \$100K annually)

Exhibit D

Form of Third Amendment to Trust Deed

Cross Reference:

Deed Book 103, Page 210

Deed Book 214, Page 480,
Pickens County, Georgia
Deed Book 77, Page 437 and
Deed Book 204, Page 357,
Dawson County, Georgia

and

After recording, please return to:

THIRD AMENDMENT TO TRUST DEED

THIS THIRD AMENDMENT is entered into this ___ day of April, 2018, by and between BIG CANOE UTILITIES COMPANY, INC., a Georgia corporation (hereinafter called "BCUC"), BIG CANOE PROPERTY OWNERS ASSOCIATION, INC., a corporation duly organized under the laws of the State of Georgia (hereinafter called "Trustee") and UTILITIES, INC. OF GEORGIA (hereinafter called "Utility" and collectively with BCUC and Trustee the "Parties").

Statement of Background

- A. Southeast Holding Company, Ltd., as Grantor, and Trustee, as trustee, entered into that certain Trust Deed dated November 29, 1984, recorded in Deed Book 103, pages 210-219, Pickens County, Georgia records, and in Deed Book 77, page 437, Dawson County, Georgia records, as required, at that time, by regulations of the State of Georgia, as amended by that certain First Amendment to Trust Deed, dated September 1, 1995, and recorded in Deed Book 241, Page 480, Pickens County, Georgia records, and in Deed Book 204, Page 357, Dawson County, Georgia records and by that certain Second Amendment to Trust Deed dated March 3, 2005, recorded in Deed Book 657, Pages 309-345, Dawson County Georgia records (hereinafter collectively referred to as the "Trust Deed").
- B. BCUC is the successor in interest to Southeast Holding Company, Ltd.
- C. The Parties are desirous of amending the Trust Deed in recognition of the sale of the utility system property which is the subject of the Trust Deed from BCUC to Utilities and that such sale will require substantial capital investment by Utilities both for the acquisition and for intended capital improvements to the utility system.

Statement of Agreement

NOW, THEREFORE, in consideration of the covenants contained herein, BCUC, Trustee and Utility covenant and agree and amend the Trust Deed as follows:

1. Trustee and BCUC consent to Utility's acquisition of the utility system subject to the Trust Deed as amended. Henceforth Utility shall be subject to the operational obligations for the utility system and any benefits enjoyed by the Grantor under the Trust Deed, as amended, and shall operate the utility system described and defined in the Trust Deed.

2. Paragraph 4 is amended to:

(a) delete the reference to "sixty (60) days" and replace same with "ninety (90) days"; and

(b) add the following at the end of the paragraph:

"provided, however, if Utility institutes a legal or administrative proceeding within 90 days of Trustee's notice contesting the grounds for said notice and/or the Trustee's right to take possession of the utility system, then the Trustee may not take possession of the utility system unless and until Utility has exhausted its judicial and/or administrative remedies and a final order has been entered following exhaustion of any appeal rights."

3. Paragraph 5 is amended to read as follows:

"In the event the Trustee takes possession of the utility system pursuant to the provisions of paragraph numbered 4, Utility shall be entitled to payment from Trustee of just compensation based on the fair market value of the utility system as determined by a mutually agreed upon certified utility appraiser and including any capital improvements Utility has made.

4. Paragraph 11 is amended to add the following at the end of the paragraph:

"provided that the Trustee shall not pledge, lease or otherwise encumber the utility system or property, without Utility's prior written consent which shall be within Utility's sole discretion to provide."

5. New Paragraph 15 is added as follows:

"In the event that Utility meets the key performance indicators and its capital plan as set out in the Service Level and Operating

Agreement between Trustee and Utility dated April __, 2018 for five (5) consecutive years, Utility shall be entitled upon request to a full reconveyance of the utility system and property subject to the Trust Deed and the Trust Deed shall be cancelled of record. Such right shall remain effective even if Utility misses key performance indicators or its capital plan provided that upon missing key performance indicators or its capital plan Utility will restart the time period to meet the five consecutive year requirement.”

6. Except as specifically modified herein, the terms and conditions of the Trust Deed remain in full force and effect.

7. This Amendment may be executed in multiple counterparts, but all such counterparts shall constitute but one original.

IN WITNESS WHEREOF, BCUC, Trustee and Utility have caused this Third Amendment to Trust Deed to be executed as of the date first written above.

[SIGNATURES ON FOLLOWING PAGE]

...

[Signature blocks deleted for purposes of attachment of form as Exhibit D]