

RAY DICKHANER

Attorney at Law

P.O. Box 20
503 Main Street
Hillsboro, MO 63050
(636) 797-5600
(fax) 797-4900
ray@dickhaner.us

June 1, 2006

Public Service Commission
State of Missouri
200 Madison Street
PO Box 360
Jefferson City, MO 65102-0360

FILED²

JUN 05 2006

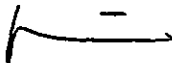
Missouri Public
Service Commission

RE: Transfer of Assets of Frimel Water System, Inc.

Dear Sir or Madam:

Enclosed please find for filing the Petition for Authority to Transfer Assets and Cease Operation, together with supporting documentation.

Very truly yours,



Ray Dickhaner

RD:lf

C:\My Documents\Lorraine\PSC let.wpd

Enclosure: Petition

**PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

FILED²

JUN 05 2006

*Missouri Public
Service Commission*

In Re the Matter Of:)
)
THE SALE OF ASSETS OF FRIMEL)
WATER SYSTEM, INC.)
)
FRIMEL WATER SYSTEM, INC. and) Case No.
LAKE LORRAINE PROPERTY)
OWNERS' ASSOCIATION,)
)
Petitioners.)

**PETITION FOR AUTHORITY TO TRANSFER ASSETS
AND CEASE OPERATION**

Come now Petitioners Frimel Water System, Inc. and Lake Lorraine Property Owners' Association and for their joint petition for authority to transfer assets and cease operations, state:

1. Frimel Water System, Inc. is a certificated utility, authorized to provide water service in the Lake Lorraine area of northern Jefferson County, Missouri.

2. Frimel Water System, Inc. is a Certificated Utility, regulated by this Commission.

3. Lake Lorraine Property Owners' Association is a Missouri not-for-profit corporation operated by a membership which includes the lots in Lake Lorraine Subdivision, a residential subdivision in northern Jefferson County, Missouri.

4. One hundred percent (100%) of the corporate stock of Frimel Water System, Inc. is owned and held by Lake Lorraine Property Owners' Association.

5. Frimel Water System, Inc. owns the water distribution system for Lake Lorraine Subdivision which consists of tanks, wells, pumps, piping, machinery, mains and

all equipment and apparatus incidental to the furnishing of potable water for the inhabitants and residents of Lake Lorraine Subdivision.

6. As charged by the Indenture of Restrictions which established the Homeowner's Association, Lake Lorraine Property Owners' Association is organized to provide services and subdivision controls for the lot owners and residents who rely upon the Frimel Water System, Inc. system for potable water.

7. Lake Lorraine Property Owners' Association acquired the stock, and therefore the assets, of Frimel Water System, Inc. on or about March 31, 2006, subject to various liens and encumbrances incidental to the financing of the purchase.

8. Frimel Water System, Inc. is manager managed, presently being managed by a water management firm.

9. Neither Petitioner has any pending actions or final unsatisfied Judgments or decisions from any state or federal agency, or Court, which involve customers, service or rates.

10. To the best knowledge of Petitioners, no annual reports or assessment fees are overdue.

11. Subject to approval of this Commission, Frimel Water System, Inc. and Lake Lorraine Property Owners' Association have agreed to the transfer of the assets of Frimel Water System, Inc. to Lake Lorraine Property Owners' Association and thereby operate the water system in a not-for-profit setting, for the good of the inhabitants and residents of the Lake Lorraine Subdivision.

12. The transfer of assets from Frimel Water System, Inc. to Lake Lorraine Property Owners' Association is not detrimental to any party for the reason that the users

of the system will control the system and they have self-interest in guarding against future detriment.

13. The transfer of assets is not detrimental to any governmental authority superior to Frimel Water System, Inc. for the reason that the assets of Frimel Water System, Inc. do not constitute assets exempt from real or personal property taxation, by Jefferson County, Missouri.

14. The transfer of assets from Frimel Water System, Inc. to the Homeowner's Association and the subsequent operation of the water system as a not-for-profit corporation is in the best interests of the public, for the following reasons:

a. The prior owners of Frimel Water System, Inc. were no longer actively developing the Lake Lorraine Subdivision and therefore had no vested interest in the water distribution system;

b. The prior owners of Frimel Water System, Inc. were, at best, absentee owners, having no direct involvement in the water company;

c. The management of the water company had long ago been transferred to a third party management firm, whose employees are the real operators of the water system;

d. Eliminating absentee owners improves the quality and integrity of the system, decreases response time to trouble calls and eliminates a layer of profit which was added to the expense of the third party management firm;

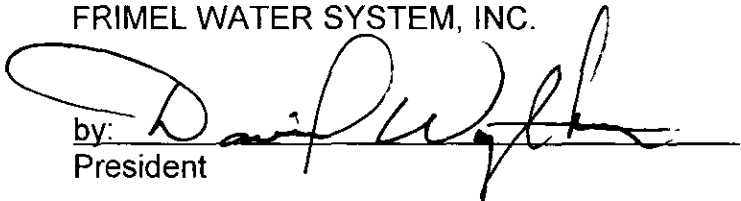
e. Eliminating the absentee owners will lower water rates, improve the integrity of the system and cause the operator to be directly responsive to the ultimate consumers of the system at hand;

f. Not-for-profit water system operation not being subject to Public Service Commission regulation, regulatory-related expenses will not be incurred, thus causing additional discounts to the present water service rates.

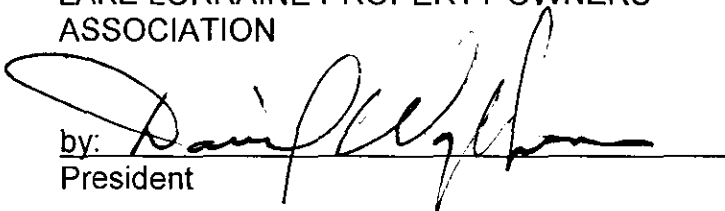
15. A copy of the Dissolution Resolution (plan in substitution of the Sale Agreement which would be applicable if the assets of Frimel Water System, Inc. were being sold), is attached to this Petition and made a part hereof.

WHEREFORE, the premises considered, Petitioners pray the Commission authorize the dissolution of Frimel Water System, Inc., authorize the transfer of the water production/collection/distribution equipment, tanks and real property of Frimel Water System, Inc. to Lake Lorraine Property Owners' Association, that the Commission terminate the Certificate of Convenience and Necessity heretofore issued to Frimel Water System, Inc. and that following the transfer of assets, regulation of the water system by the Public Service Commission shall terminate.

FRIMEL WATER SYSTEM, INC.

by: 
President

LAKE LORRAINE PROPERTY OWNERS'
ASSOCIATION

by: 
President

STATE OF MISSOURI)
) SS.
COUNTY OF JEFFERSON)

On this 30 day of May, 2006, before me personally appeared David Wojtkowski, who, being by me duly sworn, did say that he is the President of Frimel Water System, Inc., a Corporation of the State of Missouri and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation, by authority of its Board of Directors; and said David Wojtkowski acknowledged said instrument to be the free act and deed of said corporation.

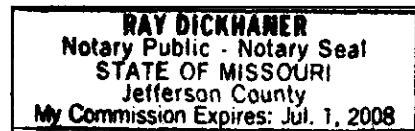
IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.



Notary Public

My term expires:

7-1-08



STATE OF MISSOURI)
) SS.
COUNTY OF JEFFERSON)

On this 30 day of May, 2006, before me personally appeared David Wojtkowski, who, being by me duly sworn, did say that he/she is the President of Lake Lorraine Property Owners' Association, a Corporation of the State of Missouri and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation, by authority of its Board of Directors; and said David Wojtkowski acknowledged said instrument to be the free act and deed of said corporation.

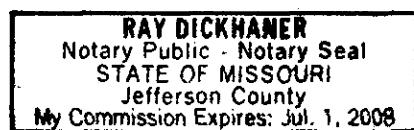
IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.



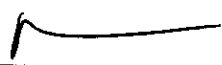
Notary Public

My term expires:

7-1-08



May 2, 2006
C:\My Documents\Lorraine\Petition.wpd
lf



Ray Dickhaner #23821

Attorney for Petitioners
P.O. Box 20
Hillsboro, MO 63050
ray@dickhaner.us
636-797-5600 - voice
636-797-4900 - fax

May 22, 2006
C:\My Documents\Lorraine\Petition.wpd
lf

**RESOLUTION
AND WRITTEN CONSENT OF SHAREHOLDERS OF
DISSOLUTION OF CORPORATION**

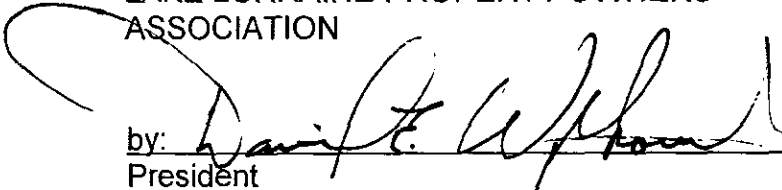
FRIMEL WATER SYSTEM, INC.

RESOLVED by unanimous and written consent of the shareholders of Frimel Water System, Inc., that Frimel Water System, Inc. be resolved.

Be it further resolved that upon dissolution, the assets of Frimel Water System, Inc. be and are hereby transferred to Lake Lorraine Property Owners' Association.

Dated and effective this 11 day of May, 2006.

LAKE LORRAINE PROPERTY OWNERS'
ASSOCIATION

by: 
President

STATE OF MISSOURI



Robin Carnahan
Secretary of State

**CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING**

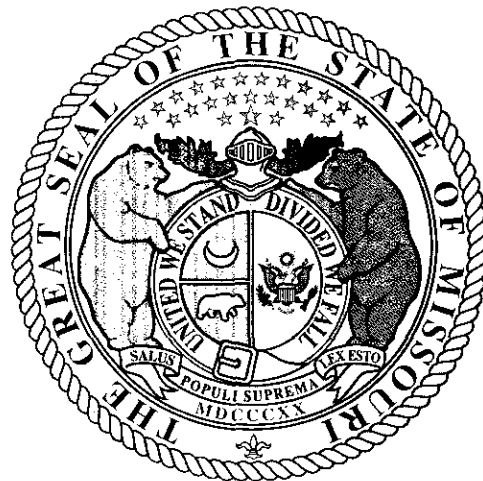
I, ROBIN CARNAHAN, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

**FRIMEL WATER SYSTEM, INC.
00108583**

was created under the laws of this State on the 18th day of March, 1963, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 14th day of April, 2006

Robin Carnahan
Secretary of State



Certification Number: 8604273-1 Reference:
Verify this certificate online at <http://www.sos.mo.gov/businessentity/verification>

STATE OF MISSOURI



Robin Carnahan
Secretary of State

**CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING**

I, ROBIN CARNAHAN, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

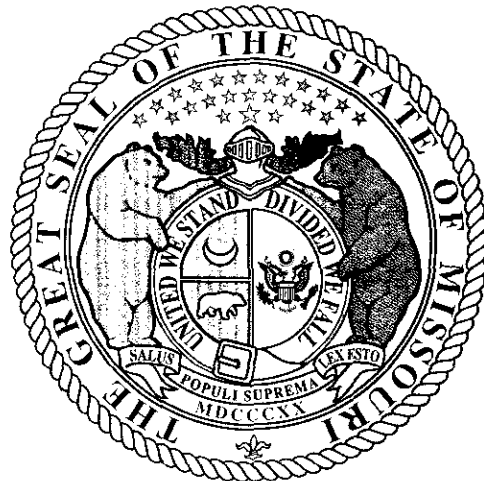
**LAKE LORRAINE PROPERTY OWNERS' ASSOCIATION
N00005251**

was created under the laws of this State on the 17th day of September, 1964, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 14th day of April, 2006

A handwritten signature in cursive script that reads "Robin Carnahan".

Secretary of State



Certification Number: 8604274-1 Reference:
Verify this certificate online at <http://www.sos.mo.gov/businessentity/verification>

01/26/2006 08:43 3148328188
01/17/2006 08:44 314-892-6171

OHMER & OHMER PC
POWERHAUS REALTY

155533

This document has legal consequences.
If you do not understand it, consult your attorney.

ST. LOUIS ASSOCIATION OF REALTORS
Approved by Committee
St. Louis Association of Realtors

Form # 2043

10/2004

SPECIAL SALE CONTRACT

DATE: 1/17/08

Note: This form does not have many clauses protecting Buyers included in the Residential Sale Contract Form #2090. It should normally be used only for the sale of property without provision for other permits, environmental, gas, municipal, insurability, and other inspections.

1. PARTIES AND PROPERTY.

Buyer(s), agree to purchase from the undersigned Seller, the following real property located in the County of Jefferson Missouri (legal description on Seller's title to govern) being all the real property sold address: 10110 1st St. St. Louis, MO 63114

2. INCLUSIONS AND EXCLUSIONS.

The purchase price includes all existing improvements on the property (if any) and appurtenances and equipment (which Seller guarantees to own free and clear) including:

(Note: To avoid misunderstanding, the parties are urged to list as "included" or "excluded" any items that may be subject to any questions).

In addition, the following items are included: Furniture, water cooler

to include all piano, tanks & seasonings

The following items are excluded:

3. PURCHASE PRICE.

\$ 45000.00 is the total purchase/sale price to be paid as follows:

\$ -0- earnest money received for delivery to/deposit by US TITLE

escrow agent. Selling agent:

escrow agent if none specified above

\$ additional earnest money to be delivered to escrow agent within

days after the "Acceptance Deadline" date or

The balance, including adjustments set forth in Paragraphs 4 or 7, less, if applicable, any amount of financing or of Seller's loan being assumed as stipulated in this contract, is to be paid at closing by cash, check, wire transfer or any form acceptable to closing agent.

4. METHOD OF FINANCING.

Subject to financing ability
Conventional, FHA or VA Financing. Buyer agrees to do all things necessary, including, but not limited to the execution of a loan application and other instruments, the payment to the lender of the appraisal and any other required fees, and to otherwise cooperate fully in order to obtain the financing described below. If Buyer does not deliver written notice, provided by Buyer's lender, to Seller or Broker, of Buyer's inability to obtain a loan commitment on the terms described below, then

1/17/08 (the "Loan Commitment Date") then this condition shall be waived and Buyer's performance under this contract shall thereafter not be conditioned upon obtaining financing. If lender will not give Buyer such written notice then Buyer may directly notify the listing broker (on or before the Loan Commitment Date) by providing a notarized affidavit that Buyer complied with all of the terms of this paragraph and that despite request, Buyer was unable to obtain written notice from lender. If Buyer has complied with the terms of this paragraph and has timely provided written notice to Seller or listing broker of Buyer's inability to obtain the loan commitment, this contract shall be terminated with earnest money to be returned to Buyer, subject to paragraph 10.

Note: If Loan Commitment Date passes without a rejection as outlined above, Buyer remains bound under this contract. Therefore, Buyer should be certain that he will have the funds to close. Buyer's performance under this contract is to be independently conditioned upon the property appraised at specified value, then Buyer should complete and attach to this contract an appropriate appraisal form.

01/26/2006 08:43 3149328100

CHMER & CHMER PC

01/17/2006 08:44 314-892-6171

POWERHAUS REALTY

155532

43 Terms:

80% loan

45 ☐ Assumption by Buyer of Existing Note and Deed of Trust. (See rider #2105) or Seller to Take
 46 Back Note and Deed of Trust. (See rider #2097)

47 ☒ Contingent Upon Financing. This contract is contingent upon financing, however, Seller
 48 reserves the right to finance any portion of the purchase price.

50 5. CLOSING AND POSSESSION

51 The "Closing" is the exchange of the deed for the purchase price. The closing of this sale
 52 shall take place on ~~February 2, 2006~~, or any other date that both parties agree.

53 Buyer will close at 105 Title, the title company which provides title
 54 insurance. Regardless of who closes for Buyer, Seller may close at the title company.
 55 Seller's choice. Title will pass when the sale is closed. Possession of the property and
 56 to be delivered to Buyer no later than 5 P.M. of close.

57 (Note: If possession is on a day other than day of closing, parties should complete the
 58 appropriate rider to this contract.) Broker is not responsible for delivery of keys and
 59 is recommended that Buyer change locks following possession. Deed as directed
 60 by Buyer. Except for tenants lawfully in possession, Seller warrants that the property will be
 61 vacant as of time of possession and delivered to Buyer in its present condition
 62 (together with any improvements or repairs required by this contract, ordinary
 63 wear and tear excepted). Buyer and Seller authorize title company and/or closing
 64 agent to release to broker(s) signed copies of the closing statements.

65 6. TITLE AND SURVEY.

66 Seller shall transfer title to Buyer by general warranty deed (or fiduciary deed, where
 67 applicable), subject to the following: a) zoning regulations; b) leases and occupancy of
 68 tenants existing on the date contract is executed by Buyer and disclosed to Buyer
 69 writing before execution of contract by Buyer; c) general taxes payable in the current year
 70 and thereafter; d) any lien or encumbrance created by or assumed by Buyer in writing or an
 71 easement accepted by Buyer in writing; e) subdivision, use and other restrictions, rights of
 72 way and utility easements, all of record, which do not adversely affect the use of the
 73 property as it exists for residential purposes at the time of the contract.

74 Check box (whether "Seller to Order, Provide and Purchase Title" or "Buyer to Order and
 75 Purchase Title").

76 ☒ Seller To Order, Provide and Purchase Title.

77 Not later than _____ days (5 if none stated) after the "Acceptance Deadline" date, Seller will
 78 order a commitment for title insurance to be provided to the Buyer for both an Owner's policy of
 79 title insurance and for a Lender's policy of title insurance (if required by lender) in the latest AUSA
 80 form including mechanics lien coverage from the title company selected in paragraph 5. Seller and
 81 Buyer authorize and direct the title company to furnish this commitment to the selling and listing
 82 Broker. Seller shall pay for the title insurance, at closing, at a cost not to exceed _____
 83 Buyer to pay title cost exceeding this amount.

84 ☐ Buyer to Order and Purchase Title.

85 Buyer may, at Buyer's option and expense, order a title examination and a commitment
 86 to issue an owner's and/or lender's policy of title insurance in the latest AUSA form
 87 including mechanics lien coverage from the title company specified in paragraph 5.

88 (Note: This should be ordered promptly after contract acceptance in order to allow sufficient
 89 time to obtain and review documents, and, if necessary, object to defects that may be
 90 discovered.)

91 Buyer may, at Buyer's option and expense, order a Boundary Survey and Improvement Location (often
 92 survey) or a Surveyor's Real Property Report ("spot survey") of the property to determine if there are any
 93 defects, encroachments, overlaps, boundary line or acreage discrepancies, or other matters that
 94 would be disclosed on a survey.

95 Note: A "static survey" is generally required in order to obtain full survey coverage in an owner's policy of title
 96 insurance. A "spot survey" is the minimum report normally required by a lender and it may or may not
 97 disclose all of the defects involving such matters as encroachments, overlaps, boundary line or acreage
 98 discrepancies.

01/28/2006 08:43 3148328100

CHMER & CHMER PC
POWERHAUS REALTY

01/17/2006 08:44 314-892-5171

155533

If any defects are discovered as a result of the title examination, title commitment or survey and if Buyer chooses to act on this contingency, Buyer shall within _____ days (25 if none stated) after the "Acceptance Deadline" date, furnish a copy of the document(s) denoting the defect to Seller or listing broker stating, in writing, any title or survey defects that are 1) unacceptable to Buyer; 2) not listed above; and 3) adversely affect the use of the property as it exists for residential purposes at the time of the contract. Failure by Seller or listing broker to receive such objections to title or survey within such time will constitute a waiver by Buyer of any objections to the title so long as Buyer is able to obtain at closing, an Owner's title insurance policy in the latest ALTA form including mechanics coverage. If Buyer does timely object to any title or survey defects, Seller has five (5) days from receipt of Buyer's notice of objection by Seller or listing broker, to agree in writing to correct the defects prior to closing at Seller's expense. If Seller does not so agree, the contract is terminated unless Buyer, within two (2) additional days, agrees in writing to accept the title and survey "as is". If the contract is terminated in accordance with the provisions of this paragraph, Buyer's earnest money to be refunded, subject to paragraph 12, and Seller agrees to reimburse Buyer's cost to pay for title, survey, inspection(s) and appraisal. Seller shall be responsible for clearing any defects that arise between the date of the contract acceptance and closing.

Note: Easements, subdivision indentures, and government regulations may affect Buyer's intended use of the property. Construction of improvements (for example: a room addition, fence or swimming pool), non-residential use of the property (for example: use of a room for a business), or the right to keep certain vehicles or animals on the property, all may be affected. Buyer is advised to review all easements, government regulations, and subdivision indentures before making an offer or purchase the property if he plans these or similar uses. If Buyer requires assistance in reviewing easements, surveys, indentures, or other matters affecting title or use of the property, he should consult an attorney.

7. ADJUSTMENTS AND CLOSING COSTS.

Buyer and Seller shall have prorated and adjusted between them on the basis of thirty (30) days to the month as of the date of closing (Seller to pay for last day), current rents (Seller to receive rent for day of closing); rents which are delinquent over thirty (30) days are to be collected by seller and not adjusted; general taxes (based on assessment and rate for current year, if both are available, otherwise, based on previous year); subdivision upkeep assessments and monthly condominium fees; interest (when Buyer assumes exist to lot); flat rate utility charges including waste, sewer and trash. Buyer shall pay the Seller the market value of any heating oil or propane gas in tank(s) on the property at closing based on suppliers current charges. Seller and /or Buyer to pay Broker(s) in accordance with any written commission agreements. Buyer and Seller to pay closing cost customarily charged.

8. LOSS.

Risk of loss to the improvements of the property shall be borne by the Seller until one transferred. If any improvements covered by this contract are damaged or destroyed, Seller shall immediately notify Buyer or selling broker in writing of the damage or destruction, the amount of insurance proceeds payable, if any, and whether Seller intends prior to closing to restore the property to its condition at the time of the contract. In the event Seller restores the property to its prior condition before scheduled closing, and provides Buyer with proof of the repairs, Buyer and Seller shall proceed with closing. In the event the property is not to be restored to its prior condition by the Seller before closing, Seller shall immediately provide Buyer or selling broker with a copy of any policies of insurance, the name and number of the agent for each of said policies, and written authorization (if needed) for Buyer to communicate with the insurer. Buyer may either a) proceed with closing and be entitled to the amount of insurance proceeds relating to real property improvements, if any, payable to Seller under all policies insuring the improvements and receive a credit from the Seller at closing in an amount equal to the deductible not covered by insurance, or b) terminate the contract, thereby releasing all parties from liability hereunder. If all of the aforementioned insurance information is received by the Buyer or selling broker more than ten (10) days prior to the scheduled closing date, Buyer is to give written notification to Seller or listing broker as to his election of (a) or (b) above within (10) days after the Buyer or selling broker's receipt of such information; and if not received by Buyer or selling broker more than ten (10) days prior to the scheduled closing date, Buyer may, at Buyer's option and by written notice to Seller or listing broker, extend the closing date up to ten (10) days, during which time Buyer may make his election as to (a) or (b) above. Failure by Buyer to notify Seller shall constitute an election to terminate the contract. If the contract is terminated in accordance with the provisions of this paragraph, earnest money to be returned to Buyer, subject to paragraph 12, and Seller agrees to reimburse Buyer's cost to pay for title, survey, inspection(s) and appraisal.

9. ASSIGNABILITY OF CONTRACT.

This contract is assignable by Buyer, but not without the written consent of Seller if a) Seller is taking back a note and deed of trust as part of the purchase price, or b) Buyer assumes the existing note. Assignment does not relieve the parties from their obligations under this contract.

01/26/2006 08:43 3148328100
01/17/2006 09:44 314-892-6171

CHMER & CHMER PC
POWERHALLS REALTY

155533

10. TIME IS OF THE ESSENCE.

Time is of the essence in the performance of the obligations of the parties. All references to specified time shall mean Central Time.

11. BINDING EFFECT.

This contract shall be binding on and for the benefit of the parties and their respective heirs, personal representatives, executors, administrators or assigns.

12. EARNEST MONEY.

Buyer and Seller agree that the earnest money received by the escrow agent in connection with this contract shall be deposited within ten (10) banking days after the "Acceptance Deadline" date. Additional earnest money, if applicable, is to be deposited by escrow agent within ten (10) banking days after receipt. Any earnest money received within ten (10) banking days prior to the scheduled closing date, shall be in the form of a cashier's check or any other form acceptable to the escrow agent. If sale is closed, earnest money to apply to the purchase. If any earnest money is being returned to Buyer, Buyer agrees that any expenses for services requested by Buyer may be withheld by escrow agent and paid to the applicable service provider(s).

In the event of a dispute over any earnest money held by the escrow agent, the escrow agent shall continue to hold said deposit in its escrow account until: 1) escrow agent receives written release from all parties consenting to its disposition, or 2) until a civil action is filed to determine its disposition (at which time payment may be made into court, and in the event, court costs and escrow agent's attorney fees will be paid from earnest money), or 3) until a final court judgment mandates its disposition; or 4) as may be required by applicable law. The parties specifically acknowledge and agree that whenever ownership of the earnest money or any other escrowed funds, received by a Missouri licensed real estate broker, in dispute between the parties, said broker is required by Missouri Statute, Section 559.020, RSMo to report and deliver the monies to the State Treasurer within 365 days of the initial projected closing date. Broker shall not report and deliver any such monies to the State Treasurer until at least sixty (60) days after the initial projected closing date.

Note: An escrow agent who is not a licensed real estate broker is not bound by Missouri statutes or regulations which apply to earnest money deposits. If the escrow agent is not a licensed broker, the parties are urged to have the escrow agent agree in writing to be bound by the provisions of this contract before being named as the escrow agent.

13. REMEDIES.

If either party defaults in the performance of any obligation of this contract, the party claiming a default shall notify the other party in writing of the nature of the default and his election of remedy. The notifying party may, but is not required to, provide the defaulting party with a deadline for curing the default.

If the default is by Buyer, Seller may either accept the earnest money as liquidated damages and release Buyer from the contract (in lieu of making any claim in court), or may pursue a remedy at law or in equity.

If Seller accepts the earnest money, it shall be divided as follows: expenses of broker and seller in this transaction will be reimbursed, and balance to go one-half to Seller, and one-half divided equally between listing broker and selling broker (if working as subagent of Seller) in lieu of commission on this contract. If the default is by Seller, Buyer may either release Seller of liability upon Seller's release of the earnest money and reimbursement to Buyer for all disbursements and expenses, as specified in Buyer's notice of default (in lieu of making any claim in court), or may pursue any remedy at law and in equity, including enforcement of sale. Buyer's release of Seller does not relieve Seller of his liability to brokers under the listing contract.

In the event of litigation between the parties, the prevailing party shall recover, in addition to damages or equitable relief, the cost of litigation including reasonable attorney's fee. This provision shall survive closing and delivery of Seller's deed to Buyer.

14. GOVERNING LAW.

This contract shall be considered a contract for the sale of real property and shall be governed by the laws of the State of Missouri.

15. ENTIRE AGREEMENT.

This contract constitutes the entire agreement between the parties hereto and there are no oral understandings, written or oral, relating to the subject matter hereof. The contract may not be changed, modified or amended, in whole or in part, except in writing signed by all parties.

01/26/2008 09:43 3148328100

CHMER & CHMER PC

01/17/2008 09:44 314-892-6171

POWERHAUS REALTY

155533

725 **16. CONSTRUCTION.**

226 Words and phrases shall be construed as in the singular or plural number, and as masculine,
 227 feminine or neuter gender, according to the context. When the term "listing broker" is used, it refers
 228 to one of the following: a) a broker working for the Seller under a listing
 229 contract; or b) a broker assisting the Seller as a transaction broker, whichever
 230 is appropriate. When the term "selling broker" is used, it refers to one of the following: a)
 231 a broker working for the Buyer under a buyer's agency agreement; b) a broker assisting the
 232 Buyer as a subagent of the Seller; or c) a broker assisting the Buyer as a transaction
 233 broker, whichever is appropriate. The term "broker" shall include the broker's sales
 234 licensees (referred to as "salespeople"). With the exception of the term "banking days" as used
 235 in paragraph 12, a day is defined as a 24 hour calendar day, seven days per week.

236 **17. FLOOD PLAIN.**

237 Buyer may terminate this contract if any portion of the property is located in a designated 10
 238 year flood plain unless disclosed to Buyer in writing prior to contract. If so terminated, earnest
 239 money to be returned to Buyer subject to paragraph 12.

240 **18. ACCESS, FINAL WALK-THROUGH AND UTILITIES.**

241 Upon reasonable advance notice to Seller or listing broker, Seller agrees to provide access to
 242 appraiser(s) and other professionals as may be provided for in the contract or required by
 243 Buyer's lender or insurer. Buyer and selling broker may be present. Seller grants Buyer or
 244 selling broker the right to enter and walk-through the property and the right to see
 245 utilities turned on or transferred, at Buyer's expense, within four (4) days prior to closing. The
 246 right is for the Buyer to see that the property is in the same general condition as it was on
 247 the date of this contract.

248 The closing does not relieve Seller of his obligation to complete improvements and repairs
 249 required by this contract.

250 **19. SPECIAL AGREEMENTS.**

251 Special agreements between Buyer and Seller forming a part of this contract.

252 _____

253 _____

254 _____

255 _____

256 _____

257 _____

258 _____

259 _____

260 _____

261 **20. SELLER'S DISCLOSURE STATEMENT. (Check one)**

262 ☐ Buyer confirms that before signing this offer to purchase, Buyer has read a copy of the
 263 Seller's Disclosure Statement for this property. The Seller's Disclosure Statement is not
 264 substitute for any inspection that Buyer may wish to obtain. Buyer is advised to address any
 265 concerns Buyer may have about information in the statement by use of contingencies in the
 266 contract.

267 ☐ Seller agrees to provide Buyer with a Seller's Disclosure Statement within (one) 1 day after
 268 the "Acceptance Deadline" date. Buyer shall have (three) 3 days after the "Acceptance
 269 Deadline" date to review said statements and to declare in writing that the contract
 270 terminated with earnest money to be returned to Buyer, subject to paragraph 12, otherwise
 271 this contingency shall be deemed as waived by Buyer.

272 ☒ No Seller's Disclosure Statement will be provided by Seller.

273 By his signature, Seller confirms that the information in the Seller's Disclosure Statement is accurate as of
 274 the date of this contract. Seller will fully and promptly disclose in writing any new material information
 275 pertaining to the property that is discovered at any time prior to closing.

276 **Note: The Seller's Disclosure Statement is not in any way incorporated into the terms of this contract.**

01/25/2005 08:43 3148320100

CHMER & CHMER PC

01/17/2005 08:44 314-592-5171

POWERHAUS REALTY

155533

21. RELATIONSHIP DISCLOSURE

Buyer and Seller confirm that disclosure of the licensee's relationship was made no later than the first showing of the property, upon first contact, or immediately upon the occurrence of a change to the relationship.

Note: Under MREC Rules and Regulations, one box must be checked in each of the following two sections by the Selling Licensee.

Licensee assisting Seller is a: (Check appropriate box)

- ☐ Seller's Agent: Licensee is acting on behalf of the Seller.
- ☐ Buyer's Agent: Licensee is acting on behalf of the Buyer.
- ☐ Dual Agent: Licensee is acting on behalf of both Seller and Buyer.
- ☐ Designated Agent: Licensee has been designated to act on behalf of the Seller.
- ☐ Transaction Broker Assisting Seller: Licensee is not acting on behalf of either Seller or Buyer.

Licensee assisting Buyer is a: (Check appropriate box)

- ☐ Buyer's Agent: Licensee is acting on behalf of the Buyer.
- ☐ Seller's Agent: Licensee is acting on behalf of the Seller.
- ☐ Dual Agent: Licensee is acting on behalf of both Buyer and Seller.
- ☐ Designated Agent: Licensee has been designated to act on behalf of the Buyer.
- ☐ Transaction Broker Assisting Buyer: Licensee is not acting on behalf of either Buyer or Seller.
- ☐ Subagent of Seller: Licensee is acting on behalf of the Seller.

☐ Seller ☐ Buyer is a real estate licensee and is acting as a principal party in this contract.

Commission will be paid by _____

Buyer and Seller acknowledge that they have received and read the Missouri Real Estate Commission Broker Disclosure Form.

By signing below, the licensees confirm making disclosure of the brokerage relationship to appropriate parties.

Selling Broker's Firm _____

Listing Broker's Firm _____

By (Signature): _____

By (Signature): _____

Date: _____ Public ID _____

Date: _____ Public ID _____

OFFER to be accepted by Seller by: 5P m

of 126 / 106

Buyer's Agent Signature

BUYER LAKE LORRAINE PROPERTY OWNERS ASSOC. DATE 1/26/06

BUYER Carl Keener, Treasurer

Printed Name LAKE LORRAINE PROPERTY OWNERS ASSOC. BY DAVID E. WOJTKOWSKI, PRES.

SELLER ACCEPTS THE TERMS SET FORTH IN THIS CONTRACT. CARL KEENER, TREASURER

SELLER TRANSITORY IN TIME AND DATE 12:00 1-26-06 SELLER CHMER & CHMER TIME AND DATE 1-26-06

OR

(Initials) WE REJECT THIS OFFER AND MAKE A COUNTEROFFER (use REJECT Contract Counteroffer Form).

OR

(Initials) WE REJECT THIS OFFER.

Note: Unless otherwise agreed in writing, "Acceptance Deadline" is defined as the date (or acceptance which was provided to the last party whose signature resulted in a contract (even if that signature was obtained before the deadline).


**PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

In Re the Matter Of:)	
)	
THE SALE OF ASSETS OF FRIMEL)	
WATER SYSTEM, INC.)	
)	
FRIMEL WATER SYSTEM, INC. and)	Case No.
LAKE LORRAINE PROPERTY)	
OWNERS' ASSOCIATION,)	
)	
Petitioners.)	

STATEMENT OF CHARACTER OF BUSINESS PERFORMED BY APPLICANTS

Frimel Water System, Inc.: Formed and availed to provide water service to Lake Lorraine Subdivision, of Jefferson County, Missouri.

Lake Lorraine Property Owners' Association: Formed and availed to govern the Homeowners' Association of Lake Lorraine Subdivision of Jefferson County, Missouri and to provide services for the common good of all property owners.



Ray Dickhaner #23821

Attorney for Petitioners
P.O. Box 20
Hillsboro, MO 63050
ray@dickhaner.us
636-797-5600 - voice
636-797-4900 - fax