

Resolution of the Board of Directors of the Ozarks Clean Water Company to enter into a contract for the purchase the assets of Foxfire Utility Company, with seller-financing, and to authorize the President of Ozarks Clean Water Company to execute the asset purchase agreement

Recitals:

- A. After investigation of the purchase of either the corporate shares of Foxfire Utility Company, Inc. ("Foxfire"), or substantially all its assets, the Board has determined that it should proceed with the purchase of substantially all the assets of Foxfire for **\$1,285,400.00**, with financing to be provided by Foxfire's owner, the Rick and Janet Helms Trust dated 8/24/2014 (the "Trust") on the following terms:
1. The assets purchased will include the water well and pump, drinking water treatment equipment, water storage tank, and water distribution system; wastewater collection system and treatment plant; and real estate where the water well and storage tank and wastewater treatment plant are located; easement rights for access to the facilities and for distribution and collection lines; and personal property, including business records, used in the Foxfire's operations.
 2. The transaction will close on or before January 12, 2023. Ozarks Clean Water Company will place \$10,000 in escrow at Tri-Lakes Title & Escrow, upon the execution of the asset purchase agreement, to be applied to the purchase price at closing, with an additional down payment of \$30,000.
 3. The remainder of the purchase price, \$1,245,000.00, will be paid at the Closing in the form of a promissory note in favor of the Trust, payable in 240 monthly installments of principal and interest (at the annual rate of 2.50%) in the amount of \$6,599.41. There is no penalty for or restriction against prepayment in whole or in part. The promissory note will be secured by a deed of trust and a security agreement encumbering the assets purchased and the revenues derived from Foxfire's customers.
 4. Other terms and conditions are customary, including the provision of title insurance, mutual indemnities, a non-compete covenant, and risk of loss passing at closing. Foxfire is obligated to satisfy all obligations

created prior to the closing, and Ozarks Clean Water Company will not assume any liabilities of Foxfire. Ozarks Clean Water Company is not obligated to hire any of Foxfire's employees.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF OZARKS CLEAN WATER COMPANY, AS FOLLOWS:

1. **Execution of Asset Purchase Agreement.** The hereby authorizes its President David Casaletto to execute and deliver the asset purchase agreement and related documents and deliver them to Foxfire, under substantially the terms outlined above.

2. **Further Authority.** The officers of Ozarks Clean Water Company, including the President take the actions as are necessary or advisable in order to carry out and perform the purposes of this Resolution and to make ministerial changes in the documents approved by this Resolution which they may approve. The execution of any document or taking of any related action constitutes conclusive evidence of the necessity or advisability of the action or change.

3. **Effective Date.** This Resolution shall be effective immediately after its passage by the Board.

ADOPTED by Directors, whose signatures are below, and who represent a majority of a quorum of the Board of Directors of the Ozarks Clean Water Company this 9th day of December, 2019.




