

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

**In the Matter of the Joint Application of)
Stoddard County Sewer Company, Inc.,)
R.D. Sewer Co., L.L.C. and the Staff of the)
Missouri Public Service Commission for an)
Order Authorizing Stoddard County Sewer)
Co., Inc. to Transfer its Assets to R.D.)
Sewer Co., L.L.C., and for an Interim Rate)
Increase.)**

Case No. SO-2008-0289

**STAFF’S NOTICE REGARDING ADDITIONAL SECURITY INTEREST
IN STODDARD COUNTY SEWER COMPANY ASSETS**

COMES NOW the Staff of the Missouri Public Service Commission and submits this Notice Regarding Security Interest in Stoddard County Sewer Company Assets.

1. On April 25, 2008, the Commission ordered the parties to file available documentation regarding the security interest purportedly claimed by Clinton Enterprises or other known potential lienors. On May 1, 2008, R.D. Sewer Co., L.L.C (“R.D. Sewer”) and Stoddard County Sewer Company, Inc. (“Stoddard County”) responded to this Commission order by filing documents related to potential claims of Clinton Enterprises and to potential claims of Citizens Bank of Dexter.

2. On May 2, 2008, the Staff filed its Supplementary Information Regarding Security Interests in Stoddard County Sewer Company Assets. In that pleading, the Staff informed the Commission that it had received information about one other potential claim against the assets of Stoddard County. The Staff stated that it did not have documentation regarding the said potential claim, but that it would endeavor to obtain it and would then file information about that claim in this case.

3. The Staff has now obtained a copy of the said documentation, to-wit: a Second Deed of Trust executed by Stoddard County Sewer Co., Inc. in favor of Ed Maglasang, trustee

for Michael Brennan, to secure payment of a promissory note, in the amount of \$40,000, from Carl Bien to Michael Brennan. The said Second Deed of Trust was executed on May 1, 2000, and recorded in the office of the Recorder of Deeds for Stoddard County, Missouri, on May 3, 2000, in Book 324, at Page 136. A copy of the recorded Second Deed of Trust is attached hereto as Attachment A.

4. The Staff does not now have any information about any other possible claims against the assets of Stoddard County, other than the claims referred to above.

WHEREFORE, the Staff respectfully submits this Notice Regarding Additional Security Interest in Stoddard County Sewer Company's Assets for the Commission's information and consideration.

Respectfully submitted,

/s/ Keith R. Krueger

Keith R. Krueger
Deputy General Counsel
Missouri Bar No. 23857

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record on this 23rd day of May 2008.

/s/ Keith R. Krueger

001018

SECOND DEED OF TRUST

(By A Corporation)

THIS DEED, Made and entered into this 1st day of March, Two Thousand, by and between Stoddard County Sewer Co., Inc., a Corporation of the State of Missouri, party of the First Part; Ed Maglasang, Trustee, of the County of St. Louis, State of Missouri party of the Second Part; and Michael Brennan, of the County of St. Louis, State of Missouri, party of the Third Part:

WITNESSETH, that the said party of the First Part, in consideration of the Debt and Trust hereinafter mentioned and created, and of the sum on ONE DOLLAR, to be paid by the said party of the Second Part, the receipt of which is hereby acknowledged, does by these presents, GRANT, BARGAIN AND SELL, CONVEY AND CONFIRM, unto the said party of the Second Part the following described Real Estate:

County of Stoddard and State of Missouri, to wit: All of Lot 1 and the North 33 feet of Lot 2 in Block 1 of Ecology Acres Subdivision, as recorded in Plat Book 8 at Page 4 in the Recorder of Deeds Office of Stoddard County, Missouri.

TO HAVE AND TO HOLD the same, with the appurtenances, to the party of Second Part, and to his successor or successors in the Trust and to him and his grantees and assigns forever.

IN TRUST, HOWEVER, for the following purposes: Whereas, Carl Blen, has this day made, executed and delivered to the said party of the Third Part, his Promissory Note, of even date herewith by which he promises to pay to the said Michael Brennan, an individual, for value received, Forty Thousand and no/100 Dollars.

AND WHEREAS this mortgage has been duly authorized by a vote of the stockholders of said party of the First Part, and the officers thereof have been by its stockholders instructed to execute said above described notes and mortgages.

NOW THEREFORE, If the said party of the First Part, or any one for it, shall well and truly pay off and discharge the debt and interest expressed in the said Note, and every part thereof, when the same becomes due and payable, according to the true tenor, date and effect of said Note, THEN THIS DEED SHALL BE VOID, and the property hereinbefore conveyed shall be released at the cost of the said party of the First Part, but, should the said First Party fail or refuse to pay the said debt, or the said interest, or any part thereof, when the same or any part thereof shall become due and payable, according to the true tenor date and effect of said Note, then the

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ATTACHMENT A

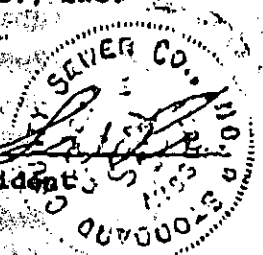
whole shall become due and payable, AND THIS DEED SHALL REMAIN IN FORCE and the said party of the Second Part in case of his absence death, refusal to act or disability in any wise, the (then) acting Sheriff of Stoddard, Bloomfield, Missouri, at the request of the legal holder of the said Note may proceed to sell the property hereinbefore described, or any part thereof, at public venue, to the highest bidder, at the Front Court House door in the town of Bloomfield, Stoddard County Missouri, for cash, first giving 21 days public notice of the time, terms and place of sale and of the property to be sold, by advertisement in some newspaper printed and published in the County of Stoddard and upon such sale shall execute and deliver a Deed in fee simple of the property sold to the purchaser or purchasers thereof, and receive the proceeds of said sale; and any statement of facts or recital by the said Trustee in relation to the non-payment of the money secured to be paid, the advertisement, sale receipt of the money, and the execution of the Deed to purchaser, shall be received as prima facie evidence of such fact, and such Trustee shall out of the proceeds of said sale, pay, first, the cost and expenses of executing this Trust, including legal compensation to the Trustee for his services, and next he shall apply the proceeds remaining over to the payment of said debt and interest, or so much thereof as remains unpaid, and the remainder, if any shall be paid to the party of the First Part, or its legal representatives. And the said party of the Second Part covenants faithfully to perform and fulfill the Trust herein created, not being liable or responsible for any mischance occasioned by others.

IN WITNESS WHEREOF, The said party of the First Part has caused these presents to be signed by its President and its corporate seal to be hereunto affixed, and the said party of the Second Part has hereunto set their hands the day and year first above written.

This Deed of Trust is subject to any and all rights granted to Ray Clinton Enterprises prior to the execution of this document.

STODDARD COUNTY SEWER CO., INC.
a Missouri Corporation

Carl S. Bien, Sr.
Carl S. Bien, Sr., President



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State of Missouri

County of Stoddard

ss.

On the 1st day of March, 2000, before me appeared Carl S. Bien, Sr. President and Secretary, to me personally known, who being by me duly sworn, did say he is the above officer of Stoddard County Sewer Co., Inc., a Corporation of the State of Missouri, and that the seal affixed to 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 Carl S. Bien, Sr. acknowledges 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, at my office in Dexter, Missouri the day and year first above written.

My term expires March 13, 2001.

Connie D. Whitacre
Connie D. Whitacre, Notary Public



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KAY ASBELL
RECORDER OF DEEDS
BLOOMFIELD, MISSOURI

Michael Brennan
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