

Appendix E

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “Agreement”) is made and entered into on the [___] day of [_____], 2014 by and between Missouri-American Water Company, a Missouri corporation (“Missouri-American”), and Benton County Sewer District No. 1 of Benton County, Missouri, a sewer district and political subdivision formed under statutes of the State of Missouri, (hereinafter the “District” or “Seller”), through its receiver. Hereinafter, one of these parties may be referred to individually as a “Party” or together as the “Parties”.

RECITALS

A. On April 1, 1994, the commissioners of Benton County, Missouri filed in the Circuit Court of Benton County (“Benton County Circuit Court”) a Petition for Formation of a Common Sewer District. The petition recited that the sewer system was necessary to preserve public health.

B. On April 20, 1994, the Benton County Circuit Court issued an order finding that the construction and maintenance of the proposed sewer system was “... necessary to secure proper sanitary conditions for the preservation of public health in a natural drainage area, all of which lies within Benton County, Missouri,” and directed that the district would be known as “Benton County Sewer District No. 1.” The order also stated that the question of creating and incorporating the District under R.S. Mo. § 204.250 – 204.470 was to be submitted to the voters within the proposed boundaries.

C. On September 8, 1994, the Benton County Circuit Court issued a further order approving a report by the commissioners, providing that the question of the incorporation of the District be submitted to the voters of the District, , and specifying the language of the ballot measure. The ballot language authorized the District to incur indebtedness and issue general obligation and/or revenue bonds to finance the creation and maintenance of the sewer system.

D. On November 29, 1994, the Benton County Circuit Court issued a third order, finding that the ballot measure had passed in a general election on November 8, 1994, and formally incorporating the District.

E. On November 7, 1995, a special bond election was held in the District, in which the voters authorized the District to issue \$2,000,000 in revenue bonds.

F. On February 9, 1996, the Missouri Department of Natural Resources (“DNR”) issued a letter to the Office of Rural Development (“USDA Rural Development”) of the United States Department of Agriculture (“USDA”) opining that the proposed sewer system in the District was needed, stating:

It is the department’s opinion that the geologic limitations of these areas, particularly the soils, will not allow densely located septic tank systems to meet the standards found in 10 CSR-8.021. It is our opinion that proposed improvements are needed and required to meet standards and regulations of the Missouri Clean Water Law.

G. On September 6, 1996, USDA Rural Development issued an Environmental Assessment of the District as part of the process of approving USDA financing of the District’s proposed sewer system. The Environmental Assessment adopted the conclusion of the February 9, 1996 DNR letter that the sewer system was needed.

H. On April 14, 1998, the District’s Board of Trustees passed a Bond Resolution authorizing issuance of a \$1,529,600 revenue bond. Section 1001 of the Bond Resolution provides for acceleration of the bond upon default, and Section 1002 provides for “Other Remedies,” including by mandamus or other suit to enforce the

bond owner's rights and to compel the District to perform its obligations, and to enjoin any acts that violate the rights of the bond owner.

I. In accordance with a grant agreement dated April 24, 1998 ("USDA Grant Agreement"), the USDA made a \$913,000 grant to the District for construction of the sewer system. The Grant Agreement provides, inter alia, that the District will (i) operate and maintain the system; (ii) use the real and personal property acquired for purposes of the grant as long as needed; (iii) not encumber or dispose of property acquired wholly or in part with grant funds, absent the USDA's consent; and (iv) upon default, at the USDA's option, repay the USDA the grant funds.

J. In accordance with USDA requirements, on April 24, 1998, the District's Board of Trustees also passed a Loan Resolution. It provided, among other things, that the District would (i) not transfer or encumber the sewer system without the USDA's consent; and (ii) provide adequate service to all persons in the District who could feasibly and legally be served, and obtain the USDA's approval before refusing service to such persons.

K. In November 1998, the District issued a revenue bond to the USDA (the "Bond") in the amount of \$1,529,600, amortized over the years 2001 through 2033.

L. In addition to the funding provided to the District by the USDA, the State of Missouri, through the DNR, made a \$1,376,329 grant to the District in accordance with a grant agreement (the "Missouri Grant Agreement").

M. On October 3, 2012, the Circuit Court of Benton County entered a consent judgment against the District (the "Benton County Circuit Court Consent Judgment"), in an action styled *State of Missouri v. Benton County Sewer District No. 1*, Case No. 12B-CCC00052, a copy of which is attached, ordering the District, inter alia, to comply with Missouri environmental statutes and to undertake certain measures to ensure that the District's wastewater treatment facility is operated in compliance with those statutes. By its terms, the judgment is binding on the successors and assigns of the District.

N. On April 2, 2013, in a General Municipal Election in Benton County, the ballot question "Shall Benton County Sewer District #1 be dissolved?" was presented, pursuant to a petition seeking presentation of the question under R.S. Mo. Sections 67.950 and 67.955. The County Clerk reported that a majority of the voters of the District voted "Yes" on the question.

O. On April 1, 2013, in an action brought by the United States, styled *United States of America v. Benton County Sewer District No. 1 of Benton County, Missouri, et al.* Civil No. 13-00319-CV-W-SOW (the "U.S. District Court Action") in the United States District Court for the Western District of Missouri (the "U.S. District Court"), the court entered a temporary restraining order enjoining the District and its Trustees from commencing dissolution, and requiring them to continue District operations, pending further order of the Court to the contrary.

P. On May 1, 2013, the U.S. District Court entered a preliminary injunction in the Action (the "Preliminary Injunction"), preliminarily enjoining the District and its Trustees from taking action to dissolve the District, and requiring them to continue with the normal operations of the District. In the Preliminary Injunction, the court stated that it was concerned that dissolution of the District could leave residents of Benton County without an adequate means of disposing of their sewage, and that discontinuation of the sewer system could cause environmental pollution.

Q. On June 14, 2013, the State of Missouri was granted leave to intervene in the U.S. District Court Action as a plaintiff, and on the same date filed its Complaint for Injunctive Relief against the District and its Trustees. In its complaint, the State of Missouri sought preliminary and permanent injunctions compelling the

District to comply with the Missouri Clean Water Law and the Benton County Circuit Court Consent Judgment, and to operate the District's wastewater treatment facility and sewer system until it completed an orderly transfer of assets to an entity capable of operating the system in compliance with the Missouri Clean Water Law.

R. Upon the joint motion of the United States and the State of Missouri, on July 2, 2013 the court entered an order (the "Receivership Order") in the U.S. District Court Action, appointing Scott Totten, in his official capacity as an employee and official of the DNR, receiver for the District (the "Receiver"). The Receivership Order provides that the Receiver is to have exclusive possession and control over all assets of the District and the operations of the District, and is to assume exclusively all responsibilities, functions, duties, powers and authority of the District and its Trustees, including the authority to enter into contracts on behalf of the District.

S. The Receivership Order further provides:

The Receiver is authorized to provide information concerning the District and its sewer system, including any information concerning its finances and operating costs, to any potential purchaser of the sewer system, and to permit any such potential purchaser to inspect the facilities of the District. However, in the event that the Receiver or any party to this action determines that the sewer system should be sold or otherwise conveyed to any party other than the District, the proposal for such sale or conveyance and the terms of such sale and conveyance shall be presented to the Court for approval.

T. On July 10, 2013, the U.S. District Court modified the Preliminary Injunction to ensure its consistency with the Receivership Order, by providing that for the duration of the Receivership, the Trustees will have no affirmative duties with regard to the operations or management of the District except the duty of cooperation with the Receiver as set out in the Receivership Order.

U. The District, through the Receiver, continues currently to own and operate the District's wastewater treatment facility and collection system (collectively, the "System") in Benton County, Missouri.

V. The District, through the Receiver, desires to sell substantially all of the assets that constitute or are used in furtherance of the System to Missouri-American pursuant to the terms and conditions of this Agreement, upon the understanding that Missouri-American will operate a sewer system within the territory covered by the District, serving the residents and commercial establishments within the District, under the authority and regulation of the Missouri Public Service Commission ("PSC").

W. Missouri-American is experienced in the ownership and operation of sewer systems in Missouri under the regulatory authority of the PSC, and wishes to acquire substantially all of the assets of the District under the terms stated herein and operate the System, with any future modifications or expansions thereof, under the authority and regulation of the PSC.

X. In light of the particular circumstances of the District and the sale of the System, and for the payment to the USDA provided for in this Agreement, in order to facilitate the sale of the System under the terms stated in this Agreement and for the purposes contemplated by this Agreement, the USDA is willing to forgive all remaining sums due under the Bond as of the date of the closing of the sale of the System to Missouri-American, and to release the District and its Trustees, Missouri-American and its officers, and the successors of Missouri-American and its officers of all liability and obligations under the Bond, the Bond Resolution, the Loan Resolution, and the USDA Grant Agreement.

Y. The State of Missouri has determined that the Missouri Grant Agreement and regulations pertaining thereto impose no further obligations on Seller or any transferee of Seller's assets. However, in light of the particular circumstances of the District and the sale of the System, in order to facilitate the sale of the System

under the terms stated in this Agreement and for the purposes contemplated by this Agreement, to the extent necessary, the State of Missouri is willing to release the District and its Trustees, Missouri-American and its officers, and the successors of Missouri-American and its officers of all liability and obligations under the Missouri Grant Agreement.

Z. By order dated [] in the U.S. District Court Action, the court granted the Receiver approval to enter this Agreement on behalf of the District.

NOW, THEREFORE, in consideration of the foregoing recitals, and the representations, warranties, and covenants contained herein, and in exchange for other consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

ARTICLE 1

Definitions and Related Matters

For purposes of this Agreement, the capitalized terms used herein shall have the meanings assigned to them herein or in the attached Exhibit 1 and, for purposes of this Agreement and all other documents executed in connection herewith, the rules of construction set forth in Exhibit 1 shall govern.

ARTICLE 2

Purchase and Sale of Assets; Closing

2.1 Transfer of Assets. On and subject to the terms and conditions of this Agreement, at the Closing on the Closing Date and effective as of the Effective Time, Missouri-American shall purchase, acquire and accept from Seller, and Seller shall sell, convey, transfer, assign and deliver the Acquired Assets to Missouri-American, free and clear of all Encumbrances other than the Encumbrances listed on Schedule 2.1 (the “Permitted Encumbrances”). Notwithstanding anything to the contrary contained in this Section 2.1 or elsewhere in this Agreement, the Excluded Assets are not part of the sale and purchase contemplated hereunder, are excluded from the Acquired Assets, and shall remain the exclusive property of Seller subsequent to the Closing.

2.2 Consideration.

(a) The consideration for the System and the Acquired Assets shall consist of the Purchase Price, to be paid to and retained by the USDA. At Closing, Missouri-American shall pay directly to the USDA, in accordance with wire transfer instructions to be provided by the USDA to Missouri-American at least three Business Days prior to the Closing Date, in immediately available funds, and in exchange for an executed release for the benefit of the Seller, the Seller’s Trustees, Missouri-American and its officers, and the successors of Missouri-American and its officers, as recited in paragraph X of the Recitals herein, an aggregate amount equal to the Purchase Price.

(b) Missouri-American shall prepare the Allocation, which Allocation shall be binding upon Seller. The Parties shall report, act, and file Tax Returns in all respects and for all Tax purposes consistent with the Allocation. No Party shall take any Tax position (whether in audits, Tax Returns, or otherwise) that is inconsistent with or contrary to the Allocation. In the event that the Allocation is disputed by any Governmental Authority, the Party receiving notice of such dispute will promptly notify the other Party, and the Parties will consult in good faith as to how to resolve such dispute in a manner consistent with the Allocation.

2.3 No Assumption of Liabilities. Notwithstanding anything to the contrary contained in this Agreement, Missouri-American will not assume or be deemed to assume, and shall have no liability or obligation with respect to, any Liability of Seller, except that Missouri-American shall assume the remaining

injunctive obligations of the October 3, 2012 Benton County Circuit Court Consent Judgment and the payment obligations of the August 13, 2012 Settlement Agreement and Release with Haynes Equipment Company, Inc. (collectively, the "Assumed Liabilities").

2.4 Closing. Unless this Agreement is first terminated pursuant to Article 8 hereof, and subject to the satisfaction or, if permissible, waiver of each of the conditions set forth in Article 5 hereof, the Closing will take place at the offices of the Missouri Attorney General's Office, 221 West High Street, 7th Floor, Jefferson City, Missouri or such other place or by such other means (e.g., facsimile and overnight delivery of original execution documents) as is agreed to by the Parties at 10:00 A.M., Central time, on (a) such date as is three (3) Business Days after the date on which all of the conditions set forth in Article 5 hereof shall have been satisfied or (to the extent permissible) waived (other than those conditions which, by their nature are to be satisfied or waived at Closing but subject to their satisfaction or waiver at Closing) or, if Missouri-American shall so elect, the final day of Seller's billing period of which such date is a part or (b) such other date as the Parties hereto may agree upon in writing. In any event, the Closing shall be effective as of the Effective Time.

2.5 Closing Obligations.

In addition to any other documents to be delivered under other provisions of this Agreement, at Closing:

- (a) Seller shall deliver or cause to be delivered to Missouri-American the following documents:
 - (i) the Bill of Sale, duly executed by Seller;
 - (ii) the Intangible Assignments, duly executed by Seller;
 - (iii) all Consents and approvals from Governmental Authorities, and third parties under Contracts, necessary to ensure that Missouri-American will continue to have the same full rights with respect to the Acquired Assets as Seller had immediately prior to the consummation of the Contemplated Transactions, including the written Consents, in form and substance reasonably acceptable to Missouri-American, of the Governmental Authorities and third parties set forth in Schedule 2.5(a);
 - (iv) a payoff letter or release, if necessary, from each lender from which Seller has incurred indebtedness for borrowed money which is outstanding, if any, and a release of all Encumbrances relating to the Acquired Assets executed, filed and/or recorded by the holder of or parties to each such Encumbrance, in each case in substance and form reasonably acceptable to Missouri-American and its counsel; provided, however, that Missouri-American will be bound by the injunctive provisions of the October 3, 2012 Benton County Circuit Court Consent Judgment, and the payment provisions of the August 13, 2012 Settlement Agreement and Release between Seller and the Haynes Equipment Company, Inc..
 - (v) an affidavit, as provided in Section 1445(b)(2) of the Code, stating under penalties of perjury that Seller is not a foreign person within the meaning of Section 1445(f)(3) of the Code;
 - (vi) for each interest in Real Property and each easement and/or right-of-way affecting any Real Property or Acquired Asset, whether or not identified on Schedule 3.4, a recordable warranty deed or such other appropriate document or instrument of transfer or approval, as the case may require, each in form and substance reasonably satisfactory to Missouri-American;
 - (vii) such other deeds, bills of sale, assignments, certificates of title, documents and other instruments of transfer and conveyance as may reasonably be requested by Missouri-American, each in form and substance reasonably satisfactory to Missouri-American;

(viii) a copy of each permit, license, easement, land-right and other necessary authority for the operation of the System and the Acquired Assets, in each case validly issued in the name of the Seller and in full force and effect;

(ix) a copy of Tax clearance certificates indicating Seller has no Tax due and dated within 30 days of Closing from any jurisdictions for which Seller may be subject to Tax, including, without limitation, Missouri;

(x) the certificate contemplated by Section 5.1(d);

(xi) a legal opinion of the Office of the Missouri Attorney General affirmatively opining to such matters as Missouri-American or its legal counsel may reasonably request, including but not limited to the due authorization and execution of this Agreement by Seller and the enforceability thereof;

(xii) an order of the U.S. District Court approving this Agreement and affirming the authority of the Receiver to enter this Agreement and undertake the Closing, in form and substance acceptable to Missouri-American, its counsel and, if applicable, its title company (including for purposes of receiving title insurance in form and substance which is acceptable to Missouri-American in its sole discretion);

(xiii) to the extent such transfer is requested by Missouri-American, evidence satisfactory to Missouri-American of the transfer of all utilities with respect to the System from Seller to Missouri-American;

(xiv) evidence satisfactory to Missouri-American of the effectuation of any change in rate base which is contemplated by this Agreement, if applicable; and

(xv) all other documents, instruments and writings required or reasonably requested by Missouri-American to be delivered at or prior to the Closing pursuant to this Agreement or otherwise required in connection herewith.

(b) At or prior to the Closing, Missouri-American shall deliver the following:

(i) to the USDA, in accordance with wire transfer instructions to be provided by the USDA to Missouri-American at least three Business Days prior to the Closing Date, in immediately available funds, an aggregate amount equal to the Purchase Price;

(ii) to the Seller, the Intangible Assignments, duly executed by Missouri-American;

(iii) to the Seller, a copy of the Certificate of Convenience and Necessity authorizing Missouri-American to own and operate the system; and

(iv) to the Seller, all other documents, instruments and writings required or reasonably requested by Seller to be delivered at or prior to the Closing pursuant to this Agreement or otherwise required in connection herewith.

ARTICLE 3 Representations of Seller

Seller hereby makes the following representations to Missouri-American, each of which is true and correct on the date hereof, will be true and correct at Closing and shall survive the Closing and the Contemplated Transactions hereby to the extent set forth herein:

3.1 Organization of Seller. Seller was duly organized as a public entity under the laws of Missouri, and the U.S. District Court has authorized the Receiver to enter this Agreement on behalf of Seller, by order dated _____. The Receiver has full power and authority to conduct the Business and the System as they are now being conducted and to own, lease and operate the System and the Acquired Assets.

3.2 Enforcement; Authority; No Conflict.

(a) This Agreement constitutes the legal, valid and binding obligation of Seller; provided, however, that Missouri-American's remedy for any breach of this Agreement will be as provided in Section 9.10, and provided, further, that Seller will not be liable to perform any provision of this Agreement in the event that such provision is declared to be invalid or void by any court, or in the event that any order or judgment of a court precludes Seller from performing this Agreement, or in the event that performance of the provision is impossible or impracticable. Enforcement of this Agreement may be limited by bankruptcy, insolvency or other similar Laws affecting the rights of creditors generally and by general principles of equity. The U.S. District Court has duly authorized the execution, delivery, and performance of this Agreement by Seller and no other proceeding on the part of Seller is necessary to authorize the execution, delivery and performance of this Agreement.

(b) This Agreement has been, and the Transaction Documents will be, duly executed and delivered by Seller.

(c) Except as otherwise disclosed herein, neither the execution, delivery or performance by Seller of this Agreement or the Transaction Documents nor the consummation by it of the Contemplated Transactions will (i) contravene, conflict with or result in a violation of any provisions of the governing document of Seller, (ii) contravene, conflict with or result in a violation of any Laws, or any Order to which Seller or any of the Acquired Assets may be subject, (iii) contravene, conflict with or result in a violation of any of the terms or requirements of or give any Governmental Authority the right to revoke, withdraw, suspend, cancel, terminate or modify any Permit or other authorization by a Governmental Authority that is held by Seller or that otherwise relates to the System or any of the Acquired Assets, (iv) contravene, conflict with or result in a violation or breach of any provision of, require the Consent of any Person under, or give any Person the right to declare a default or exercise any remedy under or to accelerate the maturity or performance of or to cancel, terminate or modify any Contract, indenture, mortgage, note, lease or other instrument or document to which Seller is a party or by which any of the Acquired Assets are bound or (v) result in the imposition or creation of any Encumbrance upon or with respect to any of the Acquired Assets.

(d) Except as otherwise stated in this Agreement, no further filings or registrations with, notifications to, or authorizations, Consents or approvals of, a Governmental Authority or third party are required to be obtained or made by Seller in connection with the execution, delivery or performance by Seller of this Agreement or the Transaction Documents or the consummation by Seller of the Contemplated Transactions except related to the PSC approval. Neither the Contemplated Transactions nor the Transaction Documents will result in the creation of any Encumbrance against any of the Acquired Assets.

3.3 Assets. Seller has clear, good, and marketable title to, or a valid leasehold interest in, all of the Acquired Assets, free and clear of all Encumbrances except as otherwise disclosed herein. None of the Acquired Assets are leased or on loan by Seller to any third party. The Acquired Assets constitute all of the assets and property that, together with the rights granted or conveyed under the Transaction Documents, are necessary for the operation of the System, the Business and the Acquired Assets as conducted as of the date hereof. Upon the Closing, Missouri-American shall continue to be vested with good title or a valid leasehold interest in the System and all of the Acquired Assets. The Business constitutes all of the business conducted by any Person in connection with the System.

3.4 Real Property; Easements.

(a) Seller owns and has good and marketable title to the Real Property, free and clear of all options, leases, covenants, conditions, easements, agreements, claims, and other Encumbrances of every kind and there exists no restriction on the use or transfer of such property, in each case except as set forth on Schedule 3.4(b)(i) or Schedule 3.4(b)(ii). Set forth on Schedule 3.4(a) is a complete and accurate listing of all Real Property. Seller is not the lessor or lessee of any real property, and there are no outstanding options, rights of first refusal or rights of first offer to purchase any of the Real Property or any portion thereof or interest therein. Seller has made available to Missouri-American copies of all title reports, surveys, title policies and appraisals relating to the Real Property. At and after the Closing, Missouri-American shall have the right to maintain or use the Real Property, including the space, facilities or appurtenances outside the building lines, whether on, over or under the ground, and to conduct such activities thereon as maintained, used or conducted by Seller on the date hereof and such right is not subject to revocation. At and after the Closing, Missouri-American shall have all rights, easements and agreements necessary for the use and maintenance of water, sewer or other utility pipelines, poles, wires, conduits or other like facilities, and appurtenances thereto, over, across and under the Real Property.

(b) The Real Property is properly classified under applicable zoning Laws, ordinances, and regulations for the current and continued operation of the System on the Real Property. No Proceeding is pending or threatened which could adversely affect the zoning classification of the Real Property. There are sufficient parking spaces, loading docks and other facilities at such Real Property to comply with such zoning Laws, ordinances, and regulations and Seller's use or occupancy of the Real Property is not dependent on any permitted non-conforming use or similar variance, exemption, or approval from any Governmental Authority. Seller's current use and occupancy of the Real Property and its operation of the System thereon does not violate any easement, covenant, condition, restriction or similar provision in any instrument of record or other unrecorded agreement affecting such Real Property. The present use and operation of the Real Property does not constitute a non-conforming use and is not subject to a variance. Seller has not received any notice of violation of any easements, covenants, restrictions or similar instruments and there is no basis for the issuance of any such notice or the taking of any action for such violation. Set forth on Schedule 3.4(b)(i) hereto is a true, correct and complete list of all easements relating to the Real Property or the Acquired Assets. All of such easements are valid and will be transferred to Missouri-American and remain in full force as of the Closing. Set forth on Schedule 3.4(b)(ii) hereto is a true, correct and complete list of all rights of way relating to the Real Property or the Acquired Assets. All of such rights of way are valid and will be transferred to Missouri-American and remain in full force as of the Closing. All Improvements located on, and the use presently being made of, the Real Property comply with all applicable zoning and building codes, ordinances and regulations and all applicable fire, environmental, occupational safety and health standards and similar standards established by Law and the same use thereof by Missouri-American following Closing will not result in any violation of any such code, ordinance, regulation or standard. There is no proposed, pending or threatened change in any such code, ordinance, regulation or standard which would adversely affect the Business, the System or the Acquired Assets.

(c) No Improvements encroach on any land that is not included in the Real Property or on any easements affecting such Real Property, or violate any building lines or set-back lines, and there are no encroachments onto the Real Property, or any portion thereof, which would interfere with the use or occupancy of such real Property or the continued operation of the System as currently conducted.

(d) There is no unpaid property Tax, levy or assessment against the Real Property (except for Encumbrances relating to Taxes not yet due and payable), nor is there pending or threatened any condemnation Proceeding against the Real Property or any portion thereof.

(e) Except as set forth in Schedule 3.4(e), there is no condition affecting the Real Property or the Improvements located thereon which requires repair or correction to restore the same to reasonable operating condition.

3.5 Personal Property. Set forth on Schedule 3.5(a) is a complete and accurate listing of all Acquired Assets which are personal property. Except as set forth in Schedule 3.5(b): (i) no Acquired Asset which is personal property is in the possession of others (other than immaterial items temporarily in the possession of others for maintenance or repair), (ii) Seller holds no such property on consignment, and (iii) each item of such Acquired Assets has been maintained in accordance with normal industry practice, is in good operating condition and repair (subject to normal wear and tear) and is suitable for the purposes for which it is presently used.

3.6 Subsidiaries; No Undisclosed Liabilities. Seller does not have any subsidiaries and does not directly or indirectly own or have any capital stock or other equity interest in any Person. Except (a) to the extent and for the amount reflected as a Liability on the balance sheet included in the Unaudited Financial Statements, (b) Liabilities incurred in the Ordinary Course of Business since the date of the balance sheet included in the Unaudited Financial Statements (none of which will or may reasonably be expected to have an adverse effect upon the Business), or (c) as set forth on Schedule 3.6, except as otherwise stated herein, Seller does not have any Liabilities whatsoever, known or unknown, asserted or unasserted, liquidated or unliquidated, accrued, absolute, contingent, or otherwise, there is no basis for any claim against Seller, the System or any of the Acquired Assets for any such Liability and there is no basis for any such Liability to become the Liability of Missouri-American from and after the Closing.

3.7 Tax Matters. Each of the representations made in this Section 3.7 is made subject to the disclosure in Section 3.7(b).

(a) Seller has timely and properly filed all Tax Returns that it was required to file. All such Tax Returns were complete and correct in all respects and were prepared in compliance with all applicable Laws. All Taxes owed by Seller have been paid. Seller is not the beneficiary of any extensions of time within which to file any Tax Return. No claim has ever been made by an authority in a jurisdiction where Seller does not file Tax Returns that Seller is or may be subject to taxation by that jurisdiction. There are no Encumbrances on any of the Acquired Assets that arose in connection with any failure (or alleged failure) to pay any Tax.

(b) Subject to the IRS notice identified below in this paragraph, Seller has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, member, stockholder, or other third party. Except as otherwise disclosed, forms W-2 and 1099 required with respect thereto have been properly completed and timely filed. Seller received notice from the IRS on November 20, 2013 that it owes the employer portion of FICA and FUTA taxes for George Hall's 6-month employment period in 2010. The Seller has taken a contrary position.

(c) There are no audits or examinations of any Tax Returns pending or threatened that relate to Seller's operation of the System or the Acquired Assets. Seller is not a party to any action or Proceeding by any Governmental Authority for the assessment or collection of Taxes relating to the operation of the System or Acquired Assets, nor has such event been asserted or threatened. There is no waiver or tolling of any statute of limitations in effect with respect to any Tax Returns relating to Seller's operation of the System or the Acquired Assets.

(d) None of the Acquired Assets (i) has been or could be treated as a partnership or corporation for United States federal income Tax purposes or (ii) is property that is required to be treated for Tax purposes as being owned by any other Person (other than those Acquired Assets that are leased).

(e) None of the Acquired Assets represent property or obligations of Seller, including but not limited to uncashed checks to vendors, customers or employees, non-refunded overpayments or unclaimed subscription balances, that is escheatable to any Governmental Authority under any applicable escheatment Laws as of the date hereof or that may at any time after the date hereof become escheatable to any Governmental Authority under any applicable escheatment Law.

3.8 Contracts. Set forth on Schedule 3.8(a) is a complete and correct list of all Contracts related to the System to which Seller is a party or is otherwise bound. Seller has delivered or caused to be delivered to Missouri-American correct and complete copies of each such Contract (including any and all amendments), a description of the terms of each such Contract which is not in writing, if any, and all documents affecting the rights or obligations of any party thereto. None of such Contracts have been modified or amended except as disclosed on Schedule 3.8(b). Neither Seller nor any of its Affiliates has received any written notice of any intention to terminate, repudiate or disclaim any such Contract. Except as set forth on Schedule 3.8(b): (i) each such Contract is valid and enforceable in accordance with its terms and is in full force and effect, and each such Contract constitutes a legal, valid and binding obligation of the other parties thereto, enforceable against them in accordance with its terms except as such enforcement may be limited by bankruptcy, insolvency or other similar Laws affecting the rights of creditors generally and by general principles of equity; (ii) no default and no event which, with the giving of notice, lapse of time, or both, would result in a default has occurred under any such Contract; (iii) there are no setoffs, counterclaims or disputes existing or asserted with respect to any such Contract, and Seller has not made any agreement with any other party thereto for any deduction from or increase to any amount payable thereunder; (iv) there are no facts, events or occurrences which in any way impair the validity or enforcement of any such Contract or tend to reduce or increase the amounts payable thereunder; (v) Seller has not, directly or indirectly, by operation of Law or otherwise, transferred or assigned all or any part of its right, title or interest in and to any such Contract to any other Person; and (vi) there are no Proceedings pending nor, to Seller's Knowledge, threatened against any party to any of such Contracts which relate to the subject matter of the said Contract. No such Contract automatically terminates or allows termination by the other party thereto upon consummation of the Contemplated Transactions. At and after the Closing, Missouri-American shall have and be entitled to exercise all of its rights under each Assumed Contract, without the payment of any additional amounts or consideration other than ongoing fees, royalties or payments that Seller would otherwise be required to pay had Contemplated Transactions not occurred.

3.9 Environmental Matters. Seller makes the representations in this Section 3.9 subject to and qualified by the Benton County Circuit Court Consent Judgment entered against Seller on October 3, 2012, and any other qualification disclosed in Schedule 3.9(a).

(a) Seller is and at all times has been in full compliance with and has not been and is not in violation of or liable under any applicable Environmental Law, except as is reflected in the Benton County Circuit Court Consent Judgment. Seller has no basis to expect nor has it received any actual or threatened Order, notice or other communication from any Governmental Authority or other Person of any actual or potential violation or failure to comply with any Environmental Law or of any actual or threatened obligation to undertake or bear the cost of any Environmental, Health and Safety Liabilities with respect to the Real Property or any other properties or assets (whether real, personal or mixed) in which Seller has or has had an interest or with respect to the Real Property or any other real property at or to which Hazardous Materials were generated, manufactured, refined, transferred, imported, used or processed by Seller or any other Person for whose conduct it is or may be held responsible, or from which Hazardous Materials have been transported, treated, stored, handled, transferred, disposed, recycled or received.

(b) Other than the October 3, 2012 Benton County Circuit Court Consent Judgment, there are no pending or threatened claims, Encumbrances or other restrictions of any nature, resulting from any Environmental, Health and Safety Liabilities or arising under or pursuant to any Environmental Law with respect to or affecting the Real Property or any other properties and assets (whether real, personal or mixed) in which Seller has or had an interest.

(c) Neither Seller nor any other Person for whose conduct it is or may be held to be responsible has any Environmental, Health and Safety Liabilities with respect to the Real Property or with respect to any other properties and assets (whether real, personal or mixed) in which Seller (or any predecessor) has or has had an interest or at any property geologically or hydrologically adjoining the Real Property or any such other property or assets that could reasonably be expected to have a material adverse effect thereon.

(d) There are no Hazardous Materials, except those used in connection with the operation of the System and set forth in the list on Schedule 3.9(d), present on or in the Environment at the Real Property or at any geologically or hydrologically adjoining property, including any Hazardous Materials contained in barrels, above or underground storage tanks, landfills, land deposits, dumps, equipment (whether moveable or fixed) or other containers, either temporary or permanent and deposited or located in land, water, sumps or any other part of the Real Property or such adjoining property or incorporated into any structure therein or thereon. Neither Seller nor any other Person for whose conduct it is or may be held to be responsible has permitted or conducted, or is aware of, any Hazardous Activity conducted with respect to the Real Property or any other properties or assets (whether real, personal or mixed) in which Seller has or has had an interest except in material compliance with all applicable Environmental Laws. There has been no Release or threat of Release, of any Hazardous Materials at or from the Real Property or from or by any other properties and assets (whether real, personal or mixed) in which Seller has or has had an interest, or any geologically or hydrologically adjoining property, whether by Seller or any other Person.

(e) Except as set forth in Schedule 3.9(e), none of the following exists at the System or on the Real Property: (1) underground storage tanks; (2) asbestos-containing material in any form; (3) materials or equipment containing polychlorinated biphenyl; (4) groundwater monitoring wells; or (5) landfills, surface impoundments, or disposal areas.

(f) Except as set forth in Schedule 3.9(f) neither Seller nor any of its Affiliates is obligated to provide financial assurance in consideration of the System under Environmental Law.

(g) Seller has delivered to Missouri-American true and complete copies and results of any reports, studies, analyses, tests or monitoring possessed or initiated by Seller or its predecessors pertaining to Hazardous Materials or Hazardous Activities in, on or under the Real Property, or concerning compliance by Seller, its predecessors, or any other Person for whose conduct Seller is or may be held to be responsible, with Environmental Laws, said reports, studies, etc. to include without limitation, any and all Phase I environmental reports now or hereafter in the possession or control of Seller.

3.10 Permits. Set forth on Schedule 3.10 is a complete and correct list of all Permits used by Seller in the continuing operation of the System. Such Permits constitute all those necessary for the continuing operation of the System and are all valid and subsisting and in full force and effect. No fact or circumstance exists which is reasonably likely to cause any such Permit to be revoked or materially altered subsequent to the execution of this Agreement and the Closing Date. Neither the execution of this Agreement nor the Closing do or will constitute or result in a default under or violation of any such Permit.

3.11 Insurance. Seller maintains and has maintained appropriate insurance necessary for the full protection of all of its assets, properties, the System, operations, products and services. All such policies are in full force and effect and Seller will use commercially reasonable efforts to cause such policies to be outstanding and in full force and effect as of Closing and immediately following the execution of this Agreement and the consummation of the Contemplated Transactions. There are no pending Proceedings arising out of, based upon or with respect to any of such policies of insurance and, to Seller's Knowledge, no basis for any such Proceedings exists. Seller is not in default with respect to any provisions contained in any such insurance policies and no insurance provider is in default with respect to such insurance policies. Set forth in Schedule 3.11 is a true and accurate list of all such insurance policies Seller maintains, and the premiums therefor have been paid in full as they have become due and payable.

3.12 Absence of Certain Changes. There has not been any occurrence or event which, individually or in the aggregate, has had or is reasonably expected to have any Material Adverse Effect. Seller has continually operated the System and the Business only in the Ordinary Course of Business. Without limitation of the foregoing, Seller has not entered into, amended, terminated or received notice of termination of any Permit necessary for the continued operation of the System. In addition, Seller has not taken any action

in connection with the System or the Business which, if taken on or after the date hereof, would have required the prior written Consent of Missouri-American pursuant to Section 6.5 hereof.

3.13 Litigation and Proceedings. Except as identified in Schedule 3.13, there are no Proceedings, either pending or threatened, anticipated or contemplated, against Seller or involving the operation of the System, any of the Acquired Assets, or any of Seller's members, shareholders, directors, officers, agents or other personnel in their capacity as such, which could directly affect any of the Acquired Assets or the System. Seller has not been charged with, nor is it under investigation with respect to, any charge which has not been resolved to its favor concerning any violation of any applicable Law with respect to any of the Acquired Assets or the System and there is no valid basis for any such charge or investigation. Neither Seller nor any of its Affiliates has been subject to or threatened to be subject to any Proceeding or Order relating to personal injury, death or property or economic damage arising from products sold, licensed or leased and services performed by Seller or any of its Affiliates with respect to the System or the Business.

3.14 Compliance with Laws. Except as otherwise disclosed in this Agreement and its attachments, Seller is in compliance with all Laws, Permits, Orders, ordinances, rules and regulations, whether civil or criminal, of any federal, state, local or foreign governmental authority applicable to the System or the Business and has not committed any violation of any Law or any provision of its governing documents applicable to the Acquired Assets and/or the operation of the System. Except as set forth in Schedule 3.14 neither Seller nor any of its Affiliates has received any notice alleging such default, breach or violation.

3.15 Financial Statements. Attached as Schedule 3.15 are the Financial Statements. The Financial Statements were derived from the books and records of Seller, are true correct and complete in all material respects and present fairly in all material respects the financial condition, operating results and cash flows of Seller as of the dates and during the periods indicated therein (subject, in the case of the Unaudited Financial Statements, to normal year-end adjustments and the absence of footnotes).

3.16 Transactions with Related Parties. The Receiver has no financial interest, direct or indirect, in any supplier or customer of, or other business which has any transactions or other business relationship with, Seller. Without limiting the generality of the foregoing, Seller owns, directly or indirectly, no interest in or is an owner, sole proprietor, member, stockholder, partner, director, officer, employee, consultant or agent of any Person which is a lessor, lessee, customer, licensee, or supplier of the Business and none of the employees of or servicing the Business owns, directly or indirectly, in whole or in part, any tangible property, patent, trademark, service mark, trade name, copyright, franchise, invention, Permit or license which was developed by or is used and necessary for the operation of the Business.

3.17 Customer Advances. Set forth on Schedule 3.17 is a complete and accurate list of all unexpired Extension Deposit Agreements (or similar agreements) to which Seller is a party (each an "Extension Deposit Agreement") and which contain unexpired obligations of Seller to provide for the payment of periodic refunds to parties making advances for the construction of facilities for water service. Seller will provide to Missouri-American within 15 days of the execution of this Agreement (to be updated at Closing), true and complete copies of each such Extension Deposit Agreement. All records of Seller relating to each Extension Deposit Agreement is complete and accurate in all material respects and, together with the relevant Extension Deposit Agreement, is all the information reasonably required to determine Seller's, and, consequently, Missouri-American's obligations to each party to the Extension Deposit Agreements; and there are no disputes or disagreements with any party to an Extension Deposit Agreement relating to the amount due under that agreement or the method of calculating that amount. Schedule 3.17 may be updated at Closing only with the mutual consent of the parties.

3.18 Accounts Receivable. Set forth on Schedule 3.18 is a list of all the accounts receivable of Seller with respect to the System and an aging schedule related thereto, as of [_____] 201[___]. Such accounts receivable, together with any such accounts receivable arising between such date and the Closing Date

(collectively, the “Accounts Receivable”), are (to the extent not yet paid in full) valid, genuine and existing and arose or will have arisen from bona fide sales of products or services actually made in the Ordinary Course of Business. Except as provided in Schedule 3.18, the Accounts Receivable are not subject to, and Seller has received no notice of, any counterclaim, set-off, defense or Encumbrance with respect to the Accounts Receivable. Except to the extent paid prior to Closing, the Accounts Receivable are and will be current and fully collectible. Except as provided in Schedule 3.18, no agreement for deduction, free goods, discount or deferred price or quantity adjustment has been made with respect to any Accounts Receivable.

3.19 Brokers, Finders. Except as set forth in Schedule 3.19, no finder, broker, agent or other intermediary, acting on behalf of Seller or any of Seller’s Affiliates, is entitled to a commission, fee or other compensation in connection with the negotiation or consummation of this Agreement or any of the transactions contemplated hereby.

ARTICLE 4 Representations of Missouri-American

Missouri-American hereby makes the following representations to Seller:

4.1 Organization. Missouri-American is a duly organized and validly existing corporation in good standing under the Laws of Missouri and has the power and authority to own, lease and operate its assets and properties and to conduct the business of the System as now being conducted.

4.2 Enforcement; Authority; No Conflict.

(a) This Agreement constitutes the legal, valid and binding obligation of Missouri-American and is enforceable against Missouri-American in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency or other similar Laws affecting the rights of creditors generally and by general principles of equity. Missouri-American has the absolute and unrestricted right, power and authority to execute and deliver this Agreement and the Transaction Documents to which it is a party and to perform its obligations hereunder and thereunder.

(b) Neither the execution or delivery of this Agreement nor the consummation of the Contemplated Transactions shall result in: (i) a violation of or a conflict with any provision of the articles of incorporation or the bylaws of Missouri-American; (ii) a material breach of or default under any term, condition or provision of any Contract to which Missouri-American is a party, or an event which, with the giving of notice, lapse of time, or both, would result in any such breach or default; or (iii) a material violation of any applicable Law, Order, judgment, writ, injunction, decree or award or any event which, with the giving of notice, lapse of time, or both, would result in any such violation.

ARTICLE 5 Conditions Precedent to Closing

5.1 Conditions Precedent to the Obligations of Missouri-American. Missouri-American’s obligations to consummate the Contemplated Transactions are subject to the satisfaction in full, unless expressly waived in writing by Missouri-American, of each of the following conditions:

(a) Authorization of Contemplated Transactions. Missouri-American shall have obtained all necessary corporate approvals to consummate the Contemplated Transactions, including, but not limited to the approval of its Board of Directors;

(b) Representations. Each of the representations of Seller contained in this Agreement or in any Transaction Document shall have been true, correct and accurate in all respects on and as of the date hereof

and shall also be true, correct and accurate in all material respects (other than Section 3.5 and representations qualified as to materiality, which shall have been true, correct and accurate in all respects) on and as of the Closing Date with the same force and effect as though made by Seller on and as of the Closing Date (except to the extent that any such representation or warranty is made solely as of the date hereof or as of another date earlier than the Closing Date, which shall be accurate as of such date);

(c) Covenants. Seller shall have performed, observed and complied in all material respects with all of its obligations, covenants, undertakings and agreements contained in this Agreement or any Transaction Document and required to be performed, observed or complied with by Seller prior to or at the Closing;

(d) Certificates. Seller shall have delivered to Missouri-American a certificate, dated as of the Closing Date and executed by an officer of Seller, to the effect that the conditions set forth in Sections 5.1(b), (c) and (i) have been satisfied;

(e) Proceedings. No provision of any Law or Order shall be in effect, and no Proceeding by any Person shall be threatened or pending before any Governmental Authority, or before any arbitrator, which would: (i) prevent consummation of the Contemplated Transactions; (ii) have a likelihood of causing the Contemplated Transactions to be rescinded following consummation; (iii) adversely affect the right of Missouri-American to own any of the Acquired Assets; or (iv) adversely affect the System prospects or the value or condition of any of the Acquired Assets or the System;

(f) Closing Deliveries. Seller shall have delivered or caused to be delivered to Missouri-American each of the items set forth in Section 2.5(a);

(g) Governmental and Third Party Approvals. (i) Missouri-American shall have obtained a certificate of convenience and necessity and all necessary regulatory approvals by the PSC, or any other applicable regulatory body, and all other applicable Consents and approvals from Governmental Authorities and other third parties which are required in connection with the Contemplated Transactions, each in form and substance (including without limitation with respect to the terms and conditions contained in any such approval) acceptable to Missouri-American in its sole and absolute discretion, and (ii) any waiting periods under existing Laws, and all extensions thereof, the passing of which is necessary to consummate the Contemplated Transactions, shall have expired;

(h) Due Diligence. Missouri-American shall have completed and be satisfied, in its sole and absolute discretion, with the results of its due diligence review of the Acquired Assets and Seller, including without limitation, with the results of any Phase I Environmental Site Assessment or other environmental assessment performed with respect to the Real Property or the Acquired Assets or chain of title search, all material contracts and operating permits and licenses of the System, and the Seller's operations, contracts, employment practices, compliance, accounting and other items as Missouri-American deems necessary, as each of the foregoing items relate to the System or the Acquired Assets; and

(i) No Material Adverse Effect. Missouri-American shall have determined that there shall not have occurred any event or circumstance which, individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect.

5.2 Conditions Precedent to Obligations of Seller. Seller's obligation to consummate the Contemplated Transactions is subject to the satisfaction in full, unless expressly waived in writing by Seller, of each of the following conditions:

(a) Representations. Each of the representations of Missouri-American contained in this Agreement or in any Transaction Document shall have been true, correct and accurate in all respects on and as of the date hereof and shall also be true, correct and accurate in all material respects (other than

representations qualified as to materiality, which shall have been true, correct and accurate in all respects) on and as of the Closing Date with the same force and effect as though made by Missouri-American on and as of the Closing Date (except to the extent that any such representation or warranty is made solely as of the date hereof or as of another date earlier than the Closing Date, which shall be accurate as of such date);

(b) Covenants. Missouri-American shall have performed, observed and complied in all material respects with all of its obligations, covenants, undertakings and agreements contained in this Agreement or any Transaction Document and required to be performed, observed or complied with by Missouri-American prior to or at the Closing;

(c) Proceedings. No provision of any Law or Order shall be in effect which would prevent consummation of the Contemplated Transactions; and

(d) Closing Deliveries. Missouri-American shall have delivered or caused to be delivered to Seller each of the items set forth in Section 2.5(b).

(e) Governmental Approvals. Missouri-American shall have obtained a certificate of convenience and necessity and all necessary regulatory approvals by the PSC, or any other applicable regulatory body, and all other applicable Consents and approvals from Governmental Authorities and other third parties which are required in connection with the Contemplated Transactions.

ARTICLE 6 Covenants and Special Agreements

6.1 Access to Information. Between the date of this Agreement and the Closing Date, Missouri-American may, directly and through its representatives, make such confirmatory investigation of the System and the Acquired Assets as each deems necessary or advisable. In furtherance of the foregoing, Missouri-American and its representatives shall have reasonable access, upon reasonable notice during normal business hours, to all employees, properties, books, Contracts, customer lists, commitments and records of the Business, and Seller shall furnish and cause to be furnished to Missouri-American and its representatives such financial and operating data and other information as may from time to time be reasonably requested relating to the System, shall permit Missouri-American or its representatives to conduct such physical inspections and environmental audits of the Real Property as requested by Missouri-American and shall permit Missouri-American or its representatives to conduct interviews of employees of or servicing the Business. Seller and the management, employees, accountants and attorneys of or servicing the Business shall cooperate fully with Missouri-American and its representatives in connection with such investigation.

6.2 Cooperation. Subject to the terms and conditions of this Agreement, the Parties shall cooperate fully with each other and their respective counsel and accountants in connection with, and take or cause to be taken and do or cause to be done, any actions required to be taken under applicable Law to make effective the Contemplated Transactions as promptly as practicable. Prior to the Closing, the parties shall proceed expeditiously and in good faith to make such filings and take such other actions as may be reasonably necessary to satisfy the conditions to Closing set forth in Section 5.1(g); provided, however, that Seller will not be required without approval of the U.S. District Court to undertake any action for which such approval is required. Any and all filing fees in respect of such filings shall be paid by Seller. From and after the Closing, the parties shall do such acts and execute such documents and instruments as may be reasonably required to make effective the transactions contemplated hereby. On or after the Closing Date, the parties shall, on request, cooperate with one another by furnishing any additional information, executing and delivering any additional documents and instruments, including contract assignments, and doing any and all such other things as may be reasonably required by the parties or their counsel to consummate or otherwise implement the transactions contemplated by this Agreement. Should Seller, in its reasonable discretion, determine after the Closing that books, records or other materials constituting Acquired Assets are still in the possession of Seller, Seller shall

promptly deliver them to Missouri-American at no cost to Missouri-American. Seller hereby agrees to cooperate with Missouri-American to ensure a proper transition of all customers with respect to billing and customer service activities. Missouri-American shall take the lead in obtaining MoPSC approval with respect to the Contemplated Transactions.

6.3 Exclusivity. Seller will not, at any time prior to the termination of this Agreement, directly or indirectly, (i) take any action to solicit, initiate or encourage the making of any Acquisition Proposal, or (ii) engage in negotiations concerning any Acquisition Proposal with any person or entity in connection with an Acquisition Proposal, in each case, other than Missouri-American and its representatives.

6.4 No Inconsistent Action. Prior to the Closing Date, no Party shall take any action, and each Party will use its commercially reasonable efforts to prevent the occurrence of any event (but excluding events which occur in the Ordinary Course of Business and events over which such Party has no control), which would result in any of its representations, warranties or covenants contained in this Agreement or in any Transaction Document not to be true and correct, or not to be performed as contemplated, at and as of the time immediately after the occurrence of such action or event. If at any time prior to the Closing Date, a Party obtains knowledge of any facts, circumstances or situation which constitutes a breach, or will with the passage of time or the giving of notice constitute a breach, of any representation, warranty or covenant of such Party under this Agreement or any Transaction Document or will result in the failure of any of the conditions contained in Article 5 to be satisfied, such Party shall give the other Party prompt written notice thereof; provided, however, that no such notice shall cure any breach of any representation, warranty or covenant contained herein or therein or will relieve any such Party of any obligations hereunder or thereunder unless specifically agreed to in writing by the other Party. Notwithstanding the foregoing, no provision of this Agreement will be construed to prevent the Seller from communicating freely with the U.S. District Court and following the orders of that court.

6.5 Conduct of Business. Except as otherwise required by Laws or Orders, and to the extent practicable under the circumstances of the Receivership, between the date of this Agreement and the Closing Date, Seller shall carry on the operation of the System, the Business and the Acquired Assets in the Ordinary Course of Business and in compliance with Law, not introduce any materially new method of management or operation, use reasonable best efforts to preserve the System, the Business and the Acquired Assets, conserve the goodwill and relationships of its customers, suppliers, Governmental Authorities and others having business relations with it, maintain in full force and effect all policies of insurance now in effect for the benefit of Seller, maintain supplies at a level which is sufficient to operate the System in accordance with past practice and maintain the Acquired Assets in substantially the condition currently existing, normal wear and tear excepted. By way of illustration and not limitation, Seller will not, between the date hereof and the Closing Date, directly or indirectly do, or prepare to do, any of the following without the prior written Consent of Missouri-American, (a) sell, lease, transfer or otherwise dispose of, or license, mortgage or otherwise encumber, or give a security interest in or subject to any Encumbrances, any of the Acquired Assets, (b) merge or consolidate with or acquire, or agree to merge or consolidate with or acquire (by merging or consolidating with, or by purchasing a substantial portion of the stock or assets of, or by any other manner), any business or corporation, partnership, joint venture, association or other business organization or division thereof or otherwise change the overall character of the Business in any material way, (c) enter into any Contract other than in the Ordinary Course of Business, (d) abandon, sell, license, transfer, convey, assign, fail to maintain or otherwise dispose of any item of the transferred intellectual property, (e) make any change in any of its present accounting methods and practices, (f) make any new Tax election, or change or revoke any existing Tax election, or settle or compromise any Tax liability or file any income Tax Return prior to the last day (including extensions) prescribed by Law, in the case of any of the foregoing, material to the business, financial condition or results of operations of Seller, (g) engage in any transactions with any Related Person which would survive Closing, (h) pay, discharge, settle or satisfy any material claims or Liabilities (absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction, in the Ordinary Course of Business or in accordance with their terms, of Liabilities reflected or reserved against in the Financial Statements (or the notes thereto), or not

required by GAAP to be so reflected or reserved, or incurred since [December 31, 2012] in the Ordinary Course of Business, or waive any material benefits of, or agree to modify any material confidentiality, standstill, non-solicitation or similar agreement with respect to the Business to which Seller or any of its Affiliates is a party, (i) enter into commitments for new capital expenditures in excess of \$25,000 in the aggregate, (j) create or issue or grant an option or other right to subscribe, purchase or redeem any of its securities or other equity interests (other than with Missouri-American), (k) adopt a plan of complete or partial liquidation or resolutions providing for or authorizing such a liquidation or dissolution, merger, consolidation, restructuring, recapitalization or reorganization or (l) enter into any agreement (conditional or otherwise) to do any of the foregoing.

6.6 No Transfer at Odds with Law. Notwithstanding anything to the contrary contained herein, nothing in this Agreement shall be deemed to require the conveyance, assignment or transfer of any Acquired Asset that by operation of applicable Law or by Order cannot be conveyed, assigned, transferred or assumed. Each Party shall continue to use reasonable best efforts to obtain at the earliest practicable date all unobtained Consents or approvals required to be obtained by it in connection with the transfer of the Acquired Assets or performance of any Transaction Document. If and when any such Consents or approvals shall be obtained, then Seller shall promptly, and hereby does, assign its rights [and obligations] thereunder to Missouri-American without payment of consideration and Missouri-American shall, and hereby does, without the payment of any consideration therefor, (i) assume such rights [and obligations] or (ii) perform (or agree to perform) under such Transaction Document, as applicable. Each Party shall execute such good and sufficient instruments as may be necessary to evidence such assignment and assumption. The entire beneficial interest in and to, and the risk of loss with respect to, the Acquired Assets shall, regardless of when legal title thereto shall be transferred to Missouri-American, pass to Missouri-American at Closing as of the Effective Time, and Seller shall, without consideration therefor, pay, assign and remit to Missouri-American all monies, rights and other consideration received which are related thereto. To the extent permitted by Law, Seller shall exercise or exploit its rights in respect of such Acquired Assets only as directed by Missouri-American.

6.7 Retention of Records. Subject to applicable Law and, subject to any applicable restrictions as to confidentiality (as to which Missouri-American does not provide indemnification, or the waiver of which Seller shall not have obtained after using reasonable best efforts), Seller shall make available any books and records relating to the System or the Business for review and copying to Missouri-American and its authorized representatives at Missouri-American's expense upon reasonable notice during normal business hours. Seller shall permit, to the extent permitted by applicable Law and upon request of Missouri-American, Missouri-American and any of its agents, representatives, advisors or consultants reasonable access to employees of or servicing the Business for information related to periods up to and including the Closing.

6.8 Tax Covenants.

(a) Seller shall pay all Taxes of Seller, the System and the Acquired Assets for any Tax year or period (or portion thereof) ending at or before the Closing. For the purposes of this Section 6.8(a), the portion of such personal property or similar ad valorem Tax that relates to the Tax period ending as of the Closing shall be deemed to be the amount of such Tax for the entire Tax period multiplied by a fraction, the numerator of which is the number of days in the Tax period ending as of the Closing and the denominator of which is the number of days in the entire Tax period. For purpose of this Section 6.8(a), the portion of all other Taxes that relates to the Tax period ending as of the Closing shall be determined on the basis of an interim closing of the books.

(b) Each Party agrees to furnish or cause to be furnished to the other Party, upon request, as promptly as practical, such information (including reasonable access to books and records, Tax Returns and Tax filings) and assistance as is reasonably necessary for the filing of any Tax Return, the conduct of any Tax audit, and for the prosecution or defense of any claim, suit or Proceeding relating to any Tax matter. The Parties shall cooperate with each other in the conduct of any Tax audit or other Tax Proceedings and each

shall execute and deliver such powers of attorney and other documents as are necessary to carry out the intent of this Section 6.8(b).

6.9 Release of Encumbrances. Seller promptly shall take such reasonable and feasible actions as shall be requested by Missouri-American to secure the release of all Encumbrances relating to the Acquired Assets other than the Permitted Encumbrances, in each case in substance and form reasonably satisfactory to Buyer and its counsel.

ARTICLE 7 Indemnification

This Agreement will not be construed to provide for indemnification of either party by the other. Receiver and individual Trustees of the District shall not be held personally liable for any act or omission related to this Agreement.

ARTICLE 8 Termination

8.1 Termination. This Agreement may be terminated at any time prior to the Closing only (a) by mutual written Consent of Seller and Missouri-American, (b) by Seller or Missouri-American upon written notice to the other, if the Closing shall not have occurred on or prior to _____, 2014; provided, however, that the right to terminate this Agreement under this Section 8.1(b) shall not be available to any Party whose breach under this Agreement has caused or resulted in the failure of the Closing to occur on or before such date, (c) by Missouri-American, if Missouri-American is not in material breach of any of its representations, warranties, covenants and agreements under this Agreement and there has been a material breach of any representation, warranty, covenant or agreement contained in this Agreement on the part of Seller and Seller has not cured such breach within five (5) Business Days after receipt of notice of such breach (provided, however, that, no cure period shall be required for a breach which by its nature cannot be cured), (d) by Missouri-American, if, at any time before Closing, Missouri-American is not satisfied with the results of its due diligence review of the System and the Acquired Assets, (e) by Seller if Seller is not in material breach of any of its representations, warranties, covenants and agreements under this Agreement and there has been a material breach of any representation, warranty, covenant or agreement contained in this Agreement on the part of Missouri-American and Missouri-American has not cured such breach within five (5) Business Days after receipt of notice of such breach (provided, however, that, no cure period shall be required for a breach which by its nature cannot be cured), (f) by Seller or Missouri-American upon written notice to the other, if any court of competent jurisdiction or other competent Governmental Entity shall have issued a statute, rule, regulation, Order, decree or injunction or taken any other action permanently restraining, enjoining or otherwise prohibiting the Contemplated Transactions, and such statute, rule, regulation, Order, decree or injunction or other action shall have become final and non-appealable, (g) by Missouri-American, if all necessary regulatory approvals (including rate treatment, refunds and setting of rate base and all approvals described in Section 5.1(g)) contemplated hereby or otherwise necessary to close the Contemplated Transactions have not been obtained within 270 days of the date hereof, or (h) by Missouri-American if any Material Adverse Effect shall have occurred or, in the reasonable judgment of Missouri-American, shall be reasonably likely to occur.

8.2 Effect of Termination. The right of each Party to terminate this Agreement under Section 8.1 is in addition to any other rights such Party may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 8.1, all further obligations of the Parties under this Agreement will terminate; provided, however, that if this Agreement is terminated by a Party because of the breach of the Agreement by another Party or because one or more of the conditions to the terminating Party's obligations under this Agreement is not satisfied as a result of the other Party's failure to comply with its obligations under this Agreement, the terminating Party's right to pursue all legal remedies will survive such termination unimpaired.

ARTICLE 9
General Provisions

9.1 Amendment and Modification. No amendment, modification or supplement of any provision of this Agreement will be effective unless the same is in writing and is signed by the Parties.

9.2 Assignments. Seller may not assign or transfer any of its rights or obligations under this Agreement to any other Person without the prior written Consent of Missouri-American. Missouri-American may not assign its rights and obligations under this Agreement to any third party, without the prior written Consent of Seller, but may assign its rights and obligations under this Agreement to any Related Person or successor in interest without the Consent of Seller. Subject to this Section 9.2, all provisions of this Agreement are binding upon, inure to the benefit of and are enforceable by or against the Parties hereto and their respective heirs, executors, administrators or other legal representatives and permitted successors and assigns.

9.3 Captions; Construction. Captions contained in this Agreement and any table of contents preceding this Agreement have been inserted herein only as a matter of convenience and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof. In the event of 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 provisions of this Agreement.

9.4 Counterparts; Facsimile. This Agreement may be executed by the Parties hereto on any number of separate counterparts, and all such counterparts so executed constitute one agreement binding on all the Parties hereto notwithstanding that all the Parties hereto are not signatories to the same counterpart. For purposes of this Agreement, a document (or signature page thereto) signed and transmitted by facsimile machine or telecopier is to be treated as an original document.

9.5 Entire Agreement. This Agreement and the other Transaction Documents constitute the entire agreement among the Parties hereto pertaining to the subject matter hereof and supersede all prior agreements, letters of intent, understandings, negotiations and discussions of the Parties hereto, whether oral or written, executed by the Parties pertaining to the subject matter hereof. All of the Exhibits and Schedules attached to this Agreement are deemed incorporated herein by reference.

9.6 Governing Law. This Agreement and the rights and obligations of the Parties hereunder are to be governed by and construed and interpreted in accordance with the Laws of the State of Missouri applicable to Contracts made and to be performed wholly within Missouri, without regard to choice or conflict of laws rules.

9.7 Legal Fees, Costs. All legal, consulting and advisory fees and other costs and expenses incurred in connection with this Agreement and the Contemplated Transactions are to be paid by the Party incurring such costs and expenses.

9.8 Notices. All notices, Consents, requests, demands and other communications hereunder are to be in writing and are deemed to have been duly given, made or delivered: (i) when delivered in person, (ii) three (3) Business Days after deposited in the United States mail, first class postage prepaid, or (iii) in the case of telegraph or overnight courier services, one (1) Business Day after delivery to the telegraph company or overnight courier service with payment provided, in each case addressed as follows:

(a) if to Seller, (i) to Scott Totten, P.O. Box 176, Jefferson City, Missouri 65102, and (ii) with a copy to Missouri Attorney General's Office, P.O. Box 899 Jefferson City, Missouri 65102, Attn: Jeremy Knee or

(b) if to Missouri-American, (i) to Missouri-American Water Company, 727 Craig Road, St. Louis, Missouri 63141, Attn: Frank Kartmann, President, (ii) with a copy to Missouri-American Water Company, 727 Craig Road, St. Louis, Missouri 63141, Attn: General Counsel and (iii) with a copy to Bryan Cave LLP, 211 N. Broadway, Suite 3600, St. Louis, Missouri 63102, Attn: Ryan S. Davis, or to such other address as any Party hereto may designate by notice to the other Parties in accordance with the terms of this Section.

9.9 Severability. This Agreement shall be deemed severable; the invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of this Agreement or of any other term hereof, which shall remain in full force and effect, for so long as the economic or legal substance of the Contemplated Transactions is not affected in any manner materially adverse to any Party.

9.10 Specific Performance and Injunctive Relief; Remedies. Missouri-American's remedies for any breach of this Agreement by Seller will be limited to (i) specific performance of the obligation of Seller to convey, transfer or assign the System and the Acquired Assets to Missouri-American, (ii) rescission of this Agreement at any time through the date of closing, and (iii) injunctive relief granted against Seller by the U.S. District Court. Seller's remedies for any breach of this Agreement by Missouri-American will be limited to (i) specific performance of the obligation of Missouri-American to make the payment of the Purchase Price provided for in Section 2.2(a), (ii) rescission of this Agreement at any time through the date of closing, and (iii) injunctive relief granted against Missouri-American by the U.S. District Court. Neither party will have a right to recover damages from the other arising from any breach of this Agreement or arising from the making of any representation, promise or covenant under this Agreement. The Receiver and individual Trustees of the District will have no personal liability whatsoever arising from any breach of this Agreement or arising from the making of any representation, promise or covenant under or in connection with this Agreement.

9.11 No Third-Party Beneficiary. This Agreement is solely for the benefit of the Parties hereto and their respective successors and permitted assigns (and those Persons entitled to recover under the indemnity provisions hereof), and no other Person (other than those Persons entitled to recover under the indemnity provisions hereof) has any right, title, priority or interest under this Agreement or the existence of this Agreement.

9.12 Waiver of Compliance; Consents. Any failure of a Party to comply with any obligation, covenant, agreement or condition herein may be waived by the other Party only by a written instrument signed by the Party granting such waiver; provided, however, that such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits Consent by or on behalf of any Party hereto, such Consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 9.12.

9.13 Jurisdiction; Venue; Consent to Service of Process. As the court in which the Receivership is pending, the U.S. District Court will have exclusive jurisdiction over any action arising under this Agreement, or as a result of a Breach of this Agreement. Each Party irrevocably consents to service of process in the manner provided for the giving of notices pursuant to Section 9.8. Nothing in this Section 9.13 shall affect the right of any Party to serve process in any other manner permitted under applicable Law.

9.14 WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS.

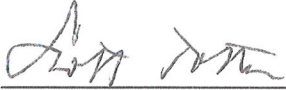
[Remainder of page intentionally left blank; signature page attached.]

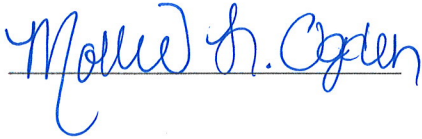
IN WITNESS WHEREOF, the Parties have executed this Asset Purchase Agreement as of the date first set forth above:

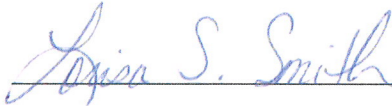
Missouri-American Water Company, a Missouri corporation

Benton County Sewer District No. 1

By: 
Frank Kortmann, President

By: 
Scott Totten, Receiver

Attest:


Attest:


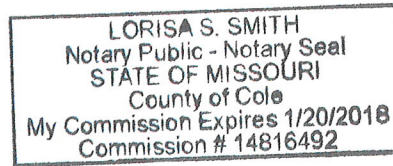
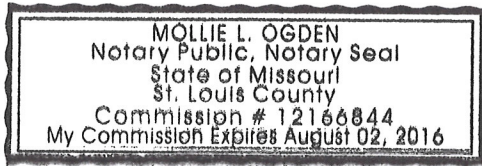


EXHIBIT 1
Definitions

“Acquired Assets” means all right, title, and interest in and to all of the assets which are owned or held by Seller as of the Effective Time that constitute the System or that are used in the operation thereof, including, with respect to the System, all of its (a) Real Property now used and required in the ongoing operation of the System, (b) Tangible Personal Property, (c) intellectual property, goodwill associated therewith, licenses and sublicenses granted and obtained with respect thereto, and rights thereunder, remedies against past, present, and future interests therein under the Laws of all jurisdictions, (d) leases, subleases, easements, rights of way, and rights thereunder, (e) all rights of Seller in and to any indentures, mortgages, instruments, Encumbrances, or guaranties secured for the operation of the System, (f) accounts, notes, and other receivables arising after the Effective Time, (g) claims, deposits, prepayments, refunds, causes of action, rights of recovery, rights of set-off, and rights of recoupment (including any such item relating to the payment of Taxes), (h) franchises, approvals, Permits, pending application for Permits and Permit renewals, exemptions from any Permits, licenses, Orders, registrations, certificates, variances, and similar rights obtained from governments and governmental agencies in each case to the extent assignable or transferable to Missouri-American, (i) books, data, records, ledgers, files, documents, correspondence, lists, plats, architectural plans, drawings, specifications, creative materials, studies, reports, and other printed or written materials related to Seller’s construction, maintenance, and operation of the System, and (j) all of the intangible rights and property, if any, of Seller utilized in the operation of the System, provided that Acquired Assets shall not include any Excluded Assets.

“Acquisition Proposal” means any offer or proposal for the acquisition of Seller, the Acquired Assets or any portion thereof, whether by way of merger, consolidation or statutory share exchange or the acquisition of shares of capital stock, the acquisition of assets or similar transaction.

“Affiliate” means, with respect to any Person, any Person which, directly or indirectly controls, is controlled by, or is under common control with, such Person.

“Allocation” means a reasonable and supportable allocation of the Purchase Price among the Acquired Assets in accordance with Code section 1060 and the Treasury regulations thereunder (and any similar provisions of state or local Law, as appropriate).

“Assignment and Assumption Agreement” means an assignment and assumption agreement for all of the Assumed Liabilities substantially in the form of Exhibit 2. ***[Note: Assignment and Assumption Agreement to be added as a closing deliverable.]***

“Assumed Contract” means a Contract containing any obligations which are Assumed Liabilities.

“Audited Financial Statements” means the audited balance sheets of Seller as of [December 31, 2010, 2011 and 2012] and the related audited statements of income and cash flows for the twelve (12) month period ended [December 31, 2010, 2011 and 2012], respectively.

“Bill of Sale” means a bill of sale for all of the Acquired Assets that are Tangible Personal Property substantially in the form of Exhibit 3.

“Business” means the business of Seller as the same is conducted by Seller as of the date hereof and as the same shall be conducted by Seller as of immediately prior to the Closing.

“Business Day(s)” means any day other than (i) Saturday or Sunday, or (ii) any other day on which governmental offices in the State of Missouri are permitted or required to be closed.

“Cleanup” means investigation, cleanup, removal, containment or other remediation or response actions.

“Closing” means the closing of the Contemplated Transactions.

“Closing Date” means the date on which the Closing actually occurs.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations and other guidance promulgated thereunder.

“Consent” means any approval, consent, ratification, waiver or other authorization.

“Contemplated Transactions” means the transactions contemplated by this Agreement and the Transaction Documents.

“Contract” means any agreement, contract, obligation, legally binding commitment or undertaking (whether written or oral and whether express or implied).

“Effective Time” means 12:01 a.m. on the Closing Date.

“Encumbrance” means any charge, community property interest, condition, easement, equitable interest, encumbrance, lien, mortgage, option, pledge, security interest, right of first refusal, right of way, servitude or restriction of any kind, including any restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, or any repayment obligation under any grant.

“Environment” means soil, land surface or subsurface strata, surface waters (including navigable waters, ocean waters, streams, ponds, drainage basins and wetlands), groundwater, drinking water supply, stream sediments, ambient air (including indoor air), plant and animal life and any other environmental medium or natural resource.

“Environmental, Health and Safety Liabilities” means any cost, damages, expense, liability, obligation or other responsibility arising from or under Environmental Law or Occupational Safety and Health Law and consisting of or relating to (a) any environmental, health or safety matters or conditions (including on-site or off-site contamination, occupational safety and health and regulation of chemical substances or products), (b) fines, penalties, judgments, awards, settlements, legal or administrative Proceedings, damages, losses, claims, demands and response, investigative, remedial or inspection costs and expenses arising under Environmental Law or Occupational Safety and Health Law, (c) financial responsibility under Environmental Law or Occupational Safety and Health Law for cleanup costs or corrective action, including any Cleanup required by applicable Environmental Law or Occupational Safety and Health Law (whether or not such Cleanup has been required or requested by any Governmental Authority or any other Person) and for any natural resource damages, or (d) any other compliance, corrective, investigative or remedial measures required under Environmental Law or Occupational Safety and Health Law. The terms “removal,” “remedial,” and “response action,” include the types of activities covered by the United States Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., as amended, and the United States Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., as amended.

“Environmental Law” means any Law relating to pollution or protection of human health, safety, the environment, natural resources or Law relating to releases or threatened releases of Hazardous Materials into the indoor or outdoor environment (including, without limitation, ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, release, transport or handling of Hazardous Materials.

“Excluded Assets” means (a) all cash, cash equivalents and short-term investments of Seller, including all bank accounts, demand accounts, certificates of deposit, time deposits, marketable securities, negotiable instruments and the proceeds of accounts receivable arising prior to the Effective Time, other than deposits and funds included in the Acquired Assets, (b) all accounts receivable of Seller accrued and payable prior to the Effective Time, (c) all intercompany accounts receivable of Seller and notes for those accounts receivable, (d) all Contracts to which the Seller is a party (other than the Assumed Contracts), including the Contracts listed on Schedule 3.8, (e) all equity interests owned or held by Seller, (f) all insurance policies of Seller and rights thereunder, (g) all causes of action, judgments, claims, reimbursements and demands of whatever nature (including rights under and pursuant to all warranties, representations and guarantees made by suppliers of products, materials or equipment, or components thereof) in favor of Seller to the extent related to any Excluded Asset, (h) all corporate minute books and stock Records of Seller and personnel Records and other Records that Seller is required by Law to retain in its possession, (i) all rights of Seller under this Agreement and the Transaction Documents and (j) all rights, properties and assets set forth on Schedule A.

“Financial Statements” means the Audited Financial Statements and the Unaudited Financial Statements.

“GAAP” means United States generally accepted accounting principles as in effect on the date hereof, applied on a consistent basis.

“Governmental Authority(ies)” means any (a) nation, state, county, city, village, district or other jurisdiction of any nature, (b) federal, state, local, municipal, foreign or other government, (c) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official or entity and any court or other tribunal), (d) multi-national organization or body or (e) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature.

“Hazardous Activity” means the distribution, generation, handling, importing, management, manufacturing, processing, production, refinement, Release, storage, transfer, transportation, treatment or use (including any withdrawal or other use of groundwater) of Hazardous Materials in, on, under, about or from the System or any part thereof into the Environment, and any other act, system, operation or thing that increases the danger or risk of danger, or poses an unreasonable risk of harm to persons or property on or off the System, or that may affect the value of the System or the Business.

“Hazardous Materials” means any waste or other substance that is listed, defined, designated or classified as, or otherwise determined to be, hazardous, radioactive or toxic or a pollutant or a contaminant under or pursuant to any Environmental Law, including any admixture or solution thereof, and specifically including petroleum and all derivatives thereof or synthetic substitutes therefor and asbestos or asbestos-containing materials.

“Improvements” means all buildings, structures, fixtures, building systems and equipment, and all components thereof, including the roof, foundation, load-bearing walls, and other structural elements thereof, heating, ventilation, air conditioning, mechanical, electrical, plumbing, and other

building systems, environmental control, remediation, and abatement systems, sewer, storm, and waste water systems, irrigation and other water distribution systems, parking facilities, fire protections, security, and surveillance systems, and telecommunications, computer, wiring, and cable installations, included in the Real Property.

“Intangible Assignments” means the assignments of all of the Acquired Assets which are intangible personal property substantially in the form of Exhibit 4.

“Knowledge” means (i) the actual knowledge of a particular fact by any of the Persons listed on Schedule B (each, a “**Knowledge Party**”), and (ii) knowledge that would have been acquired by any Knowledge Party acting reasonably and diligently in the performance of such person’s role with and duties to Seller. The words “know,” “knowing” and “known” shall be construed accordingly.

“Law(s)” means any law, rule, regulation or ordinance of any federal, foreign, state or local Governmental Authority or other provisions having the force or effect of law, including all judicial or administrative Orders and determinations, and all common law.

“Liability” or “Liabilities” means any liability, indebtedness or obligation of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise and whether or not the same is required to be accrued on the financial statements of a Person.

“Material Adverse Effect” means a material adverse effect on (a) the business, assets, Liabilities (contingent or otherwise), operations or condition (financial or otherwise) of the System, the Business and the Acquired Assets, taken as a whole; provided, however, that “Material Adverse Effect” shall not include any changes resulting from general business or economic conditions, including such conditions related to the industry in which the System is operated, which do not specifically relate to the System and which are not disproportionately adverse to the System than to other businesses being operated in the industries in which the System operates, or (b) the ability of Seller to consummate the Contemplated Transactions.

“MoPSC” means the Missouri Public Service Commission.

“Occupational Safety and Health Law” means any Law designed to provide safe and healthful working conditions and to reduce occupational safety and health hazards, and any program, whether governmental or private (including those promulgated or sponsored by industry associations and insurance companies), designed to provide safe and healthful working conditions.

“Order” means any award, decision, injunction, judgment, order, ruling, subpoena or verdict entered, issued, made or rendered by any court, administrative agency or other Governmental Authority or by any arbitrator.

“Ordinary Course of Business” means, with respect to the System and the Business, only the ordinary course of commercial operations customarily engaged in by the System and the Business consistent with past practices, and specifically does not include (a) activity (i) involving the purchase or sale of the System or the Business or any product line or business unit thereof, or (ii) that requires approval by the board of directors or shareholders (or other governing persons or equity holders) of Seller or any of its Affiliates, or (b) the incurrence of any Liability for any tort or any breach or violation of or default under any Contract or Law.

“Permit” means any approval, Consent, license, permit, waiver or other authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or pursuant to any Law.

“Person” means any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, cooperative, estate, trust, association, organization, labor union or other entity or Governmental Authority.

“Proceeding” means any action, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal, administrative, investigative or informal) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Authority or arbitrator.

“Purchase Price” means \$750,000.

“Real Property” means those parcels of real property and those easements or any right-of-way used in the operation of the System, together with all fixtures, fittings, buildings, structures and other Improvements erected therein or thereon.

“Records” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

“Related Person” means: (a) with respect to a particular individual, (i) each other member of such individual’s Family, (ii) any Person that is directly or indirectly controlled by such individual or one or more members of such individual’s Family, (iii) any Person in which such individual or members of such individual’s Family hold (individually or in the aggregate) a Material Interest; and (iv) any Person with respect to which such individual or one or more members of such individual’s Family serves as a director, officer, partner, executor or trustee (or in a similar capacity) and (b) with respect to a specified Person other than an individual, (i) any Person that directly or indirectly controls, is directly or indirectly controlled by, or is directly or indirectly under common control with such specified Person, (ii) any Person that holds a Material Interest in such specified Person, (iii) each Person that serves as a director, officer, partner, executor or trustee of such specified Person (or in a similar capacity), (iv) any Person in which such specified Person holds a Material Interest, (v) any Person with respect to which such specified Person serves as a general partner or a trustee (or in a similar capacity) and (vi) any Related Person of any individual described in clause (ii) or (iii). For purposes of this definition, (x) the “Family” of an individual includes (A) the individual, (B) the individual’s spouse, (C) any other natural person who is related to the individual or the individual’s spouse within the second degree, and (D) any other natural person who resides with such individual; and (y) “Material Interest” means direct or indirect beneficial ownership (as defined in Rule 13d-3 under the Securities Exchange Act of 1934) of voting securities or other voting interests representing at least five percent (5%) of the outstanding equity securities or equity interests in a Person.

“Release” means any spilling, leaking, emitting, discharging, depositing, escaping, leaching, dumping or other releasing into the Environment, whether intentional or unintentional.

“Tangible Personal Property” means all machinery, equipment, tools, furniture, office equipment, computer hardware, supplies (including chemicals and spare parts), materials, vehicles and other items of tangible personal property of every kind owned or leased by Seller (wherever located and whether or not carried on Seller ’s books), together with any express or implied warranty by the manufacturers or lessors of any item or component part thereof, and all maintenance records and other documents relating thereto.

“Tax” or “Taxes” means all taxes, charges, withholdings, fees, duties, levies, or other like assessments including, without limitation, income, gross receipts, ad valorem, value added, excise, property, sales, employment, withholding, social security, Pension Benefit Guaranty Corporation premium, environmental (under Section 59A of the Code) occupation, use, service, service use, license, payroll, franchise, transfer and recording taxes, fees and charges, windfall profits, severance, customs, import, export, employment or similar taxes, charges, fees, levies or other assessments, imposed by any Governmental Authority, whether computed on a separate, consolidated, unitary, combined or any other basis, and shall include any interest, fines, penalties, assessments, or additions to tax resulting from, attributable to, or incurred in connection with any such Tax or any contest or dispute thereof, and including any Liability for the Taxes of another Person under Treasury Regulation section 1.1502-6 (or any similar provisions of state, local, or foreign Law), as transferee or successor, by Contract or otherwise.

“Tax Return” or “Tax Returns” means any return, declaration, report, claim for refund, or information return or statement relating to, or required to be filed in connection with any Taxes, including any schedule or attachment thereto and including any amendment thereof.

“Transaction Documents” means this Agreement, the Bill of Sale, the Intangible Assignments and all other documents, certificates, assignments and agreements executed and/or delivered in connection with this Agreement in order to consummate the Contemplated Transactions, as the same may be amended, restated, modified or otherwise replaced from time to time

“Unaudited Financial Statements” means the unaudited balance sheet of Seller as of [____], 2013 and the related compiled consolidated statements of income and cash flows for the twelve month period then ended.

Rules of Construction

For purposes of this Agreement and the other documents executed in connection herewith, the following rules of construction shall apply, unless specifically indicated to the contrary: (i) wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, the feminine and the neuter; (ii) the term “or” is not exclusive; (iii) the term “including” (or any form thereof) shall not be limiting or exclusive; (iv) the terms “hereof,” “herein” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including the Schedules and Exhibits hereto) and not to any particular provision of this Agreement; (v) all references to statutes and related regulations shall include any amendments of same and any successor statutes and regulations as well as all rules and regulations promulgated thereunder, unless the context otherwise requires; (vi) all references in this Agreement or in the Schedules to this Agreement to sections, schedules, exhibits and attachments shall refer to the corresponding sections, schedules, exhibits and attachments of or to this Agreement; and (vii) all references to any instruments or agreements, including references to any of the documents executed in connection herewith, shall include any and all modifications or amendments thereto and any and all extensions or renewals thereof.