

GREENSVILLE COUNTY WATER AND SEWER AUTHORITY

A G E N D A

MONDAY, JUNE 6, 2016

**REGULAR SESSION AT THE CONCLUSION OF THE BOARD OF SUPERVISORS
MEETING**

- I. CALL TO ORDER
- II. CLOSED SESSION - Section 2.2-3711 (a) 1) Personnel Matters
 - A. Personnel Matters
- III. RETURN TO REGULAR SESSION
- IV. CERTIFICATION OF CLOSED MEETING – Resolution #WS-16-42
- V. APPROVAL OF AGENDA
- VI. APPROVAL OF CONSENT AGENDA
 - A. Minutes – See Attachment – C.
 - B. Budgetary Matters – See Attachment – D.
 - C. Warrants – See Attachment – E.
- VII. PUBLIC HEARING – None
- VIII. ITEMS WITH APPOINTMENTS - None
- IX. OLD BUSINESS - None
- X. NEW BUSINESS
 - A. Georgia Pacific Donation Agreement – See Attachment – F.
 - B. EDA Grant Announcement – See Attachment – G.
 - C. VRA Loan Documents – See Attachment – H.
- XI. MISCELLANEOUS MATTERS
 - A. Staff Work Programs – See Attachment – I.
- XII. ADJOURNMENT

At the Regular Meeting of the Greenville County Water and Sewer Authority, held on Monday, May 16, 2016, with Regular Session beginning at the conclusion of the Board of Supervisors meeting, in the Board Room of the Greenville County Government Building, 1781 Greenville County Circle, Emporia, Virginia

Present: Michael W. Ferguson, Chairman
Dr. Margaret T. Lee, Vice Chairman
Peggy R. Wiley
Raymond L. Bryant, Jr.

Chairman Ferguson called the meeting to order.

In Re: Closed Session

Mr. Whittington, Director, stated that Staff recommended the Authority go into Closed Session, Section 2.2-3711 (a) 1) Personnel, 3) Acquisition of Real Property, 5) Business or Industry and 7) Legal Matters.

Mr. Bryant moved, seconded by Dr. Lee, to go into Closed Session, as recommended by Staff. Voting aye: Mr. Bryant, Dr. Lee, Mrs. Wiley and Chairman Ferguson.

In Re: Regular Session

Mr. Bryant moved, seconded by Dr. Lee, to go into Regular Session. Voting aye: Mr. Bryant, Dr. Lee, Mrs. Wiley and Chairman Ferguson.

In Re: Certification of Closed Meeting – Resolution #WS-16-41

Mr. Bryant moved, seconded by Dr. Lee, to adopt the following Resolution. A roll call vote was taken, as follows: Mr. Bryant, aye; Dr. Lee, aye; Mrs. Wiley, aye and Chairman Ferguson, aye.

**RESOLUTION #WS-16-41
CERTIFICATION OF CLOSED MEETING**

WHEREAS, the Greensville Water and Sewer Authority has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Greensville County Water and Sewer Authority that such closed meeting was conducted in conformity with Virginia law:

NOW, THEREFORE, BE IT RESOLVED that the Greensville County Water and Sewer Authority hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Greensville County Water and Sewer Authority.

In Re: Approval of Agenda

Mr. Whittington stated that Staff recommended approval of the Agenda with no added items.

Mr. Bryant moved, seconded by Dr. Lee, to approve the Agenda as submitted. Voting aye: Mr. Bryant, Dr. Lee, Mrs. Wiley and Chairman Ferguson.

In Re: Approval of the Consent Agenda

Mr. Whittington stated that Staff recommended approval of the Consent Agenda.

Dr. Lee moved, seconded by Mr. Bryant, to approve the Consent Agenda consisting of the following items. Voting aye: Mr. Bryant, Dr. Lee, Mrs. Wiley and Chairman Ferguson.

Minutes from the meeting of May 2, 2016

Budgetary Matters consisting of the following: Fund #001 – Journal Voucher #13, in the amount of \$36,715.78, which is incorporated herein by reference.

Warrants:

Approval of Accounts Payable for May 16, 2016, in the amount of \$107,313.16

Approval of Accounts Payables for the General Fund, in the amount of \$71,637.16

Approval of Accounts Payables for Special Projects, in the amount of \$35,640.40

In Re: I-95, Exit 4 Potable Water System

Mr. Moses Clements addressed the Authority stating that at the May 2nd Authority's Meeting, Mr. Alton Mason addressed the Authority regarding potable water problems experienced by 3-4 private residences on Moores Ferry Road. He stated that the impacted area was approximately 1000 ft west of I-95, Exit 4 Interchange. He also reported the following:

- The houses in the area were served by private, on-site water wells. During the past few years, the private wells had been going dry and were not producing adequate quantities of water, and/or have experienced water quality problems.
- In June, 2012, two of the affected homeowners contacted the Virginia Department of Mines, Minerals and Energy (DMME) and requested that an investigation of the adjacent Vulcan Rock Quarry be conducted. DMME requested that Vulcan conduct an analysis of the underlying groundwater situation. The Vulcan report, which was released in June of 2013, concluded that the quarry was not impacting the groundwater in the area. FMME agreed with the Vulcan analysis and no further action was taken by DMME.
- In an effort to assist the local residents, the Water and Sewer Authority directed the Staff to determine if the Authority's existing water system could supply the impacted neighborhood. The Authority owns and operates a small potable system that served four commercial entities on the interchange.
- With the assistance of a consulting engineer, a Preliminary Engineering Report, PER, was completed in late 2013 and approved by Virginia Department of Health on December 20, 2013. The PER determined that here were three activities that must be taken to provide a permanent solution for the resident's water problems. The activities must be performed in order and the following steps needed to be taken:
 - Increase the existing water supply. The Authority had completed the cost to drill, test, and integrate an additional well was approximately \$165,000. The work was completed in November 2015 and all of the costs had been paid. The new well was in

service and functioning properly. (Because of the increase supply, the Authority was also working to add 10,000 gallons of additional finished water storage the system. That project had a cost of approximately \$78,000 and should be completed in the next 3-4 months. Funding for the water storage project had been located.)

- The existing potable water system needed to add additional treatment in order to serve residential customers. The Staff was currently working with a consulting engineer to design the improvements. The engineering cost was approximately \$10,000. Monies had been located for the engineering activity. The equipment installation was anticipated to be \$71,000; funds had not been located for the implementation of the improvements.
- The extension of a water line to the affected residents was the final activity. The consultant's PER estimated the cost of the extension to be \$231,000. The Authority staff had researched several funding options and continues to seek funds to pay for the project.

Mr. Clements stated the residents were in a difficult situation and the Authority's Staff was concerned about their plight. He stated that Staff involvement included acting as the resident's advocate during the DMME process, seeking grant monies to pay for the system improvements, and providing a convenient location/reasonable cost for the residents to fill water storage tanks. He then stated that Staff would continue to work on the issue; however, funding the utility extension would be a challenging item.

In Re: Bid Results for the Jarratt Water Treatment Plant Sludge Handling Upgrade Project

Mr. Glen Gibson addressed the Authority stating that bids were accepted May 5, 2016 for the Sludge Handling Project. He stated that three bids were received as follows:

1. Castle Heights base bid of \$366,527 and alternate #1 bid of \$26,675
2. Biggs Construction Company, Inc base bid of \$383,777 and alternate #1 bid of \$38,810
3. H.G. Reynolds Company, Inc. base bid of \$394,191 and alternate #1 bid of \$23,329

Mr. Gibson stated that the base bid for this project would construct a 160' of 6" gravity sewer, one pump station, and 4,227' of 2" & 3" force main. The alternate bid would construct 639' of 6" force main. He stated that the Consulting Engineer, B&B Consultants, Inc., and the Authority's Staff had reviewed the bids and the contractor's qualifications. He also stated that their evaluation determined that Castle Heights Construction had the manpower, equipment, experience, and expertise to complete the

project. He further stated that Castle Heights Construction had constructed numerous projects for the Authority in the past and Staff recommended the following:

- Award the project to Castle Heights Construction, Inc., in the amount of \$393,202 with the base bid of \$366,527, plus alternate #1 at \$26,675.
- Authorize the Authority's Director to execute a contract prepared by the County Attorney.

Dr. Lee moved, seconded by Mr. Bryant, to approve Bid Results for the Jarratt Water Treatment Plant Sludge Handling Upgrade Project. Voting aye: Mr. Bryant, Dr. Lee, Mrs. Wiley and Chairman Ferguson.

There being no further business to discuss, Mrs. Wiley moved, seconded by Mr. Bryant, to adjourn the meeting. Voting aye: Mr. Bryant, Dr. Lee, Mrs. Wiley and Chairman Ferguson.

Michael W. Ferguson, Chairman
Greenville County Water and Sewer Authority

5/31/2016 FROM DATE- 6/06/2016
 07375 TO DATE- 6/06/2016
 FUND # - 001 MAINTENANCE EXPENDITURES**

ACCOUNTS PAYABLE LIST
 GREENSBORO COUNTY WATER
 DEPT # - 01000 *ADMINISTRATIVE**

MEMBER NAME	CHARGE TO	DESCRIPTION	INVOICE#	INVOICE DATE	AMOUNT
TREASURER OF GREENSBORO		TELEPHONE SERVICES FROM GREENSBORO	16049-107-0000	6/01/2016	6,250.00 *
SPRINT (COUNTY)		TELECOMMUNICATIONS	5405016255733	5/16/2016	11.00
GULL CORPORATION		OFFICE SUPPLIES	422399 CN	5/05/2016	22.82 *
GULL CORPORATION		OFFICE SUPPLIES	5586630	5/05/2016	30.00-
GULL CORPORATION		OFFICE SUPPLIES	5726453	5/17/2016	209.99
					101.98
					201.97 *
		TOTAL			6,554.87

DEPT # - 01000 *ADMINISTRATIVE**

DEPT # - 01100 *UTILITY MAINTENANCE**

MEMBER NAME	CHARGE TO	DESCRIPTION	INVOICE#	INVOICE DATE	AMOUNT
INDEPENDENT RESEARCHER		UTILITY MAINTENANCE**	00555/4-2016	4/30/2016	206.70
BUSINESS CARD (0874)		TRAVEL AND TRAINING	FINH'S/5-9-2016	5/09/2016	206.70 *
BOBIE'S FLOWER SHOP, INC.		OFFICE SUPPLIES	124476	5/06/2016	27.46 *
BOBIE'S FLOWER SHOP, INC.		OFFICE SUPPLIES	124832	5/12/2016	20.49
					30.00
					50.49 *
		TOTAL			204.45

DEPT # - 02000 *UTILITY MAINTENANCE**

MEMBER NAME	CHARGE TO	DESCRIPTION	INVOICE#	INVOICE DATE	AMOUNT
VERBIA UTILITY		UTILITY MAINTENANCE**	04160231	4/30/2016	102.90
GREENE'S SERVICE CENTER		REPAIR & MAINTENANCE SERVICES	52910	4/25/2016	102.90 *
ENGINE'S SERVICE CENTER		REPAIR & MAINTENANCE SERVICES	52911	4/29/2016	16.00
WALLING'S BROTHERS GARAGE		REPAIR & MAINTENANCE SERVICES	10074-20-2016	4/20/2016	16.00
WALLING'S BROTHERS GARAGE		REPAIR & MAINTENANCE SERVICES	10074-29-2016	4/29/2016	39.00
					39.00
					110.00 *
FISHB, INC		MAINTENANCE CONTRACTS	412972	5/12/2016	990.26
					990.26 *
HECKLERBORG ELECTRIC CORP		ELECTRICAL SERVICES	2000201100/5-16	5/04/2016	20.13
HECKLERBORG ELECTRIC CORP		ELECTRICAL SERVICES	2001400600/5-16	5/04/2016	130.06
HECKLERBORG ELECTRIC CORP		ELECTRICAL SERVICES	2003100100/5-16	5/04/2016	90.60
HECKLERBORG ELECTRIC CORP		ELECTRICAL SERVICES	200410100/5-16	5/04/2016	60.15
HECKLERBORG ELECTRIC CORP		ELECTRICAL SERVICES	2004200700/5-16	5/04/2016	75.06
HECKLERBORG ELECTRIC CORP		ELECTRICAL SERVICES	3096200600/5-16	5/11/2016	58.61
HECKLERBORG ELECTRIC CORP		ELECTRICAL SERVICES	3097001000/5-16	5/04/2016	156.60
HECKLERBORG ELECTRIC CORP		ELECTRICAL SERVICES	3003000000/5-16	5/10/2016	25.02
HECKLERBORG ELECTRIC CORP		ELECTRICAL SERVICES	3004700400/5-16	5/10/2016	105.70

5/21/2016 FROM DATE- 6/08/2016
 09:57 TO DATE- 6/08/2016
 FUND # - 001 SUPERINTENDENT EXPENDITURES

ACCOUNTS PAYABLE LIST
 GREENVILLE EDUHY WATER
 DEPT # - 02000 MOBILITY MAINTENANCE

VENOR NAME	CHECK TO	DESCRIPTION	INVOICE #	DATE	AMOUNT
NEALEBORG ELECTRIC CORP	ELECTRICAL SERVICES	3886801080/5-16	5/11/2016	89.24	
NEALEBORG ELECTRIC CORP	ELECTRICAL SERVICES	3887600400/5-16	5/10/2016	20.71	
NEALEBORG ELECTRIC CORP	ELECTRICAL SERVICES	3888600680/5-16	5/09/2016	59.28	
NEALEBORG ELECTRIC CORP	ELECTRICAL SERVICES	3892000900/5-16	5/10/2016	20.13	
NEALEBORG ELECTRIC CORP	ELECTRICAL SERVICES	4383800901/5-16	5/10/2016	31.93	
NEALEBORG ELECTRIC CORP	ELECTRICAL SERVICES	4383301101/5-16	5/10/2016	17.64	
NEALEBORG ELECTRIC CORP	ELECTRICAL SERVICES	4393600500/5-16	5/16/2016	18.59	
NEALEBORG ELECTRIC CORP	ELECTRICAL SERVICES	4394600400/5-16	5/04/2016	375.06	
NEALEBORG ELECTRIC CORP	ELECTRICAL SERVICES	4395500700/5-16	5/16/2016	86.90	
NEALEBORG ELECTRIC CORP	ELECTRICAL SERVICES	4398400500/5-16	5/10/2016	604.15	
DOMINION VIRGINIA POWER	ELECTRICAL SERVICES	0111782504/5-16	5/11/2016	34.33	
DOMINION VIRGINIA POWER	ELECTRICAL SERVICES	023226240/5-16	5/11/2016	425.55	
DOMINION VIRGINIA POWER	ELECTRICAL SERVICES	248451977/5-16	5/11/2016	6.59	
DOMINION VIRGINIA POWER	ELECTRICAL SERVICES	3691790004/5-16	5/11/2016	64.88	
DOMINION VIRGINIA POWER	ELECTRICAL SERVICES	9508175886/5-16	5/13/2016	7.15	
DOMINION VIRGINIA POWER	ELECTRICAL SERVICES	9910851972/5-16	5/13/2016	219.07	
				2,064.22 *	
VERIZON	TELECOMMUNICATIONS	078-0812/5-16	5/22/2016	194.44	
VERIZON	TELECOMMUNICATIONS	080-0453/5-16	5/16/2016	161.12	
VERIZON	TELECOMMUNICATIONS	336-0129/4-16	5/07/2016	58.42	
VERIZON	TELECOMMUNICATIONS	336-1179/5-16	5/25/2016	53.21	
VERIZON	TELECOMMUNICATIONS	336-1545/5-16	5/13/2016	53.21	
VERIZON	TELECOMMUNICATIONS	336-1597/5-16	5/19/2016	86.07	
VERIZON	TELECOMMUNICATIONS	348-0513/4-16	5/07/2016	96.30	
VERIZON	TELECOMMUNICATIONS	348-9344/5-16	5/25/2016	21.45	
VERIZON	TELECOMMUNICATIONS	335-7275/5-16	5/13/2016	94.69	
VERIZON	TELECOMMUNICATIONS	335-6415/5-16	5/25/2016	50.16	
VERIZON	TELECOMMUNICATIONS	335-8219/5-16	5/25/2016	50.37	
VERIZON	TELECOMMUNICATIONS	335-8753/5-16	5/25/2016	50.37	
VERIZON	TELECOMMUNICATIONS	634-6731/4-16	5/04/2016	21.77	
VERIZON	TELECOMMUNICATIONS	634-9713/5-16	5/22/2016	21.45	
VERIZON	TELECOMMUNICATIONS	834-9026/5-16	5/13/2016	21.20	
SPRINT	TELECOMMUNICATIONS	54050162505733	5/16/2016	5.91	
				990.34 *	
ARMARK UNIFORM SERV INC	UNIFORM RENTAL	46685140	4/28/2016	52.43	
ARMARK UNIFORM SERV INC	UNIFORM RENTAL	46717573	5/05/2016	02.93	
ARMARK UNIFORM SERV INC	UNIFORM RENTAL	46799556	5/12/2016	97.30	
ARMARK UNIFORM SERV INC	UNIFORM RENTAL	46791500	5/19/2016	92.43	
ARMARK UNIFORM SERV INC	UNIFORM RENTAL	46814150	5/26/2016	92.43	
				427.10 *	
SOUWIDE VA CORP COLLEGE	TRAVEL AND TRAINING	3901 YC 13175	2/22/2016	2,161.00	
THOMAS H. JACKSON	TRAVEL AND TRAINING	HILLES/5-2016	5/16/2016	76.68	
GRAY VISA CARD #1593	TRAVEL AND TRAINING	\$ GENERAL/5-17	5/17/2016	9.29	
GRAY VISA CARD #1595	TRAVEL AND TRAINING	HIND/5/5-17-16	5/17/2016	52.57	
				2,748.54 *	
HOLMANT COMMUNITY/CENR	OFFICE SUPPLIES	TR806119	5/13/2016	3.56	
				3.56 *	

ACCOUNTS PAYABLE LIST
 DEERSVILLE COUNTY WATER
 DEPT # - 00000 MOBILITY MAINTENANCE

FROM DATE - 4/06/2016
 TO DATE - 6/06/2016
 WORD # - 001 MOBILITY MAINTENANCE

MEMBER NAME	CHANGE TO	DESCRIPTION	INVOICE	INVOICE DATE	AMOUNT
JARSHATT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		612595	4/11/2016	12.00
JARSHATT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		613018	4/26/2016	23.98
JARSHATT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		613034	5/16/2016	2.26
JARSHATT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		613078	5/16/2016	59.12
JARSHATT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		623536	4/11/2016	19.98
JARSHATT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		623568	4/14/2016	15.08
JARSHATT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		6236172	4/21/2016	5.99
JARSHATT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		6237803	5/13/2016	69.99
JARSHATT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		11563326-00	5/03/2016	204.13
STATE ELECTRIC SUPPLY CO	REPAIR & MAINTENANCE SUPPLIES		34265110.001	5/04/2016	215.39
UMAC, INC	REPAIR & MAINTENANCE SUPPLIES		738186	4/27/2016	70.64
000 RUBBER	REPAIR & MAINTENANCE SUPPLIES		4233603	4/27/2016	1,040.31
RD SUPPLY WATERWORKS, LTD.	REPAIR & MAINTENANCE SUPPLIES		F503870	5/18/2016	189.85
RD SUPPLY WATERWORKS, LTD.	REPAIR & MAINTENANCE SUPPLIES		F510076	5/12/2016	630.00
RD SUPPLY WATERWORKS, LTD.	REPAIR & MAINTENANCE SUPPLIES		RDND107554	5/05/2016	3.99
FURNACE INC	REPAIR & MAINTENANCE SUPPLIES		3450616	5/02/2016	129.40
DICKSON	REPAIR & MAINTENANCE SUPPLIES		1006951	5/17/2016	515.73
DICKSON	REPAIR & MAINTENANCE SUPPLIES		1007072	5/18/2016	499.00
BYRELLY AUTO PARTS	REPAIR & MAINTENANCE SUPPLIES		2269-006010	4/04/2016	41.60
WELLY'S SERVICE STATION	REPAIR EQUIPMENT SUPPLIES		4854-40	5/12/2016	45.00
				TOTAL	45.00
					11,959.10
JAMES R REED & ASSOC INC	WASTED TREATMENT - JARRATT#		1605072	5/19/2016	19.00
BES CASHER	LABORATORY SERVICES		14186	5/12/2016	19.00
BES CASHER	LAB SERVICES- RECY AREA		14184	5/12/2016	1,544.00
BES CASHER	LAB SERVICES- ARBORY		14181	5/12/2016	1,544.00
DEAT JESR EWD 47264	LAB SERVICES- ARBORY		068/3061075	5/19/2016	111.00
WENDELL VIRGINIA POWER	ELECTRICAL SERVICES		3720872508/4-16	5/02/2016	37.00
WENDELL VIRGINIA POWER	ELECTRICAL SERVICES		5684134157/4-16	5/10/2016	99.00
WENDELL VIRGINIA POWER	ELECTRICAL SERVICES		7870514391/4-16	5/02/2016	2,001.16
VERIZON	TELECOMMUNICATIONS		535-8730/4-16	5/04/2016	1,955.13
VERIZON	TELECOMMUNICATIONS		634-8296/5-16	5/10/2016	2,686.58
VERIZON	TELECOMMUNICATIONS		250024	5/06/2016	7,442.89
VERIZON	TELECOMMUNICATIONS		5485016258573	5/16/2016	45.56
VERIZON	TELECOMMUNICATIONS		5405016258572	5/16/2016	53.42
VERIZON	TELECOMMUNICATIONS			5/06/2016	59.95
VERIZON	TELECOMMUNICATIONS			5/16/2016	6.08
VERIZON	TELECOMMUNICATIONS			5/16/2016	9.72
TECH COMMUNITY	LEASE FACILITIES (33 OF 46)		LEASE/400 2016	6/01/2016	176.73
TECH COMMUNITY	LEASE FACILITIES (33 OF 46)				2,299.00
TECH COMMUNITY	LEASE FACILITIES (33 OF 46)				2,299.00

ACCOUNTS PAYABLE LIST
GREENVILLE COUNTY WATER
DEPT # - 022000 **WATER TREATMENT - LABORATION

FROM DATE- 6/06/2016
TO DATE- 6/06/2016
FUND # - 001 **LABORATION EXPENDITURE**

VENOR NAME	CHARGE TO	DESCRIPTION	INVOICE #	INVOICE DATE	AMOUNT	PAY AMOUNT
ARROW WATER SERV INC	WATER RENTAL		46717578	5/05/2016	70.66	
ARROW WATER SERV INC	WATER RENTAL		46749568	5/12/2016	70.66	
ARROW WATER SERV INC	WATER RENTAL		46781555	5/19/2016	70.66	
ARROW WATER SERV INC	WATER RENTAL		46814155	5/26/2016	70.66	
WATER SUPPLY	LAB SUPPLIES		8939635	5/18/2016	282.64 *	
WATER SUPPLY	LAB SUPPLIES		8165517	5/12/2016	389.53	
					40.83	
					430.81 *	
JANETT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		8138729	5/16/2016	38.45	
JANETT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		8138961	5/24/2016	17.68	
JANETT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		8234937	4/04/2016	12.99	
JANETT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		8237897	5/03/2016	19.27	
JANETT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		8238149	5/17/2016	5.07	
JANETT HARDWARE	REPAIR & MAINTENANCE SUPPLIES		8238559	5/23/2016	22.91	
GENERAL SCIENTIFIC, INC	VEHICLE SUPPLIES		TRV0115785	5/12/2016	116.57 *	
					58.60 *	
UNION USA INC	CHEMICALS		8769728	5/05/2016	866.80	
WATER BOARD, INC	CHEMICALS		022808-1H	5/18/2016	1,042.80	
SPENTON MID-SOUTH, INC	CHEMICALS		BRSS30797	5/05/2016	688.00	
					2,726.80 *	
		TOTAL			15,585.84	
DEPT # - 022000 **RECORD LOGGE WELL SYSTEM**						
DES COLLIER	WELLS LOGGE WELL SYSTEMS		14187	5/12/2016	316.00	
	LABORATORY SERVICES				316.00 *	
COLUMBIA RELIABILITY	REPAIR & MAINTENANCE SERVICES		590597	5/10/2016	388.00	
DOMINION VERIEKA POWER	ELECTRICAL SERVICES		263472630/5-16	5/13/2016	388.00 *	
DOMINION VERIEKA POWER	ELECTRICAL SERVICES		449218053/5-16	5/03/2016	231.94	
					42.32	
VERIZON	TELECOMMUNICATIONS		326-154545-16	5/13/2016	273.76 *	
					53.21	
					53.21 *	
FISHER COMPANY	REPAIR & MAINTENANCE SUPPLIES		8804107694	5/10/2016	2.62	
					2.62 *	
		TOTAL			1,635.59	
DEPT # - 024000 **JACKSON FIELD HOME WATER SYSTEM**						
DES COLLIER	JACKSON FIELD HOME WATER SYSTEMS		14185	5/12/2016	121.00	
	LABORATORY SERVICES				121.00 *	
VERIZON	TELECOMMUNICATIONS		634-008775-16	5/19/2016	52.97	
					52.97 *	
		TOTAL			173.97	

5/17/2016 FROM DATE- 6/04/2016
 4475 TO DATE- 6/06/2016
 DEPT # - 001 NUMBERING EXPENSES

NUMBER NAME	CHARGE TO	DESCRIPTION	AMOUNT	INVOICE DATE	AMOUNT
		WYFALLS BUN SEWAGE TREAT. PLANT**			
		JAMES R REED & ASSOC INC LABORATORY SERVICES	1405023	5/11/2016	283.00
		JAMES R REED & ASSOC INC LABORATORY SERVICES	1405074	5/19/2016	114.00
		TELEPHONE	24409	4/15/2016	397.00 *
		REPAIR & MAINTENANCE SERVICES			249.94
		ELECTRICAL SERVICES	338930180275-16	5/04/2016	2,390.09 *
		TELECOMMUNICATIONS	248092	4/15/2016	34.00
		TELECOMMUNICATIONS	248093	4/15/2016	59.95
		TELECOMMUNICATIONS	248092	5/06/2016	59.95
		TELECOMMUNICATIONS	54050142555733	5/16/2016	5.93
		CHEMICALS	R1698243	5/20/2016	159.83 *
		TOTAL			402.00 *
					3,598.86

NUMBER NAME	CHARGE TO	DESCRIPTION	AMOUNT	INVOICE DATE	AMOUNT
		WYTHREE CREEK SEWAGE TREAT. PLANT**			
		JAMES R REED & ASSOC INC LABORATORY SERVICES	1405022	5/11/2016	178.00
		JAMES R REED & ASSOC INC LABORATORY SERVICES	1405026	5/11/2016	730.00
		JAMES R REED & ASSOC INC LABORATORY SERVICES	1405075	5/19/2016	347.00
		ELECTRICAL SERVICES	380390100/5-16	5/12/2016	1,255.00 H
		TELECOMMUNICATIONS	634-6094/5-16	5/10/2016	7,670.21
		TELECOMMUNICATIONS	250092	5/06/2016	7,670.21 *
		TELECOMMUNICATIONS	54050142555733	5/16/2016	74.66
		TELECOMMUNICATIONS	54050142555732	5/16/2016	59.95
		UNIFORM RENTAL	48717574	5/05/2016	5.93
		UNIFORM RENTAL	48749558	5/12/2016	.17
		UNIFORM RENTAL	48781503	5/19/2016	140.69 *
		UNIFORM RENTAL	48814153	5/26/2016	1,144.18
		TRAVEL AND TRAINING	F87PAL/DMPS6CST	5/10/2016	277.58
		FERTILIZER FEES	08PE5 06067259	1/11/2016	94.29
		OFFICE SUPPLIES	67573	5/26/2016	129.48
		OFFICE SUPPLIES	74005740	5/17/2016	1,645.89 *
		LAB SUPPLIES	16505708	5/17/2016	114.00
		LAB SUPPLIES	955667 08	5/18/2016	114.00 *
		TOTAL			10,650.00 *
					127.40
					215.82
					343.22 *
					12.52
					21.89 *
					9.87 *

ACCOUNTS PAYABLE LIST
GREENVILLE COUNTY WATER
DEPT # - 03200 WASTEWATER TREATMENT PLANT

5/21/2016 FROM DATE - 5/06/2016
DATE TO DATE - 5/06/2016
FUND # - 601 WASTEWATER EXPENDITURE

VENOR NAME	VENOR ID	DESCRIPTION	INVOICE #	INVOICE DATE	SS	PAY \$
HOLBROOK COMMUNITY/GENCO		WASTEWATER SUPPLIES	TR65788	5/17/2016		27.94
ASBESTOS WASTE		REPAIR & MAINTENANCE SUPPLIES	4134011	5/25/2016		29.94 *
USA BUREAU		REPAIR & MAINTENANCE SUPPLIES	955530	5/17/2016		4.00
						773.00
JCI CHEMICALS, INC		CHEMICALS	688426	5/11/2016		777.00 *
GORRISON CHEMICALS		CHEMICALS	5758	5/11/2016		366.50
						6,605.04
						6,972.14 *
POWER OIL CO INC		HEAVY EQUIPMENT SUPPLIES	891029	5/17/2016		139.84
FUEL WELDER CARD		HEAVY EQUIPMENT SUPPLIES	CL36317	4/30/2016		100.50
B & N TRUCK REPAIRS LLC		HEAVY EQUIPMENT SUPPLIES	054025	5/13/2016		462.50
B & N TRUCK REPAIRS LLC		HEAVY EQUIPMENT SUPPLIES	054025 CN	5/13/2016		462.50-
B & N TRUCK REPAIRS LLC		HEAVY EQUIPMENT SUPPLIES	054046	5/17/2016		201.72
B & N TRUCK REPAIRS LLC		HEAVY EQUIPMENT SUPPLIES	074846 CN	5/17/2016		201.72-
B & N TRUCK REPAIRS LLC		HEAVY EQUIPMENT SUPPLIES	231331	5/09/2016		352.83
UNST VISA CARD 41003		HEAVY EQUIPMENT SUPPLIES	COL.TIME#35234	5/17/2016		1,297.80
UNST VISA CARD 41003		HEAVY EQUIPMENT SUPPLIES	COL.TIME#35234	5/17/2016		105.00
						2,045.85 *
						31,604.07

DEPT # - 03400 WASTEWATER TREATMENT PLANT

VENOR NAME	VENOR ID	DESCRIPTION	INVOICE #	INVOICE DATE	SS	PAY \$
JAMES B REED & ASSOC INC		LABORATORY SERVICES	1605025	5/11/2016		439.00
VEZON		TELECOMMUNICATIONS	535-873074-16	5/04/2016		439.00 *
JORDAIT WASTEWATER		REPAIR & MAINTENANCE SUPPLIES	0238003	5/16/2016		45.57 *
UNCOVER WVS INC		CHEMICALS	RI697479	5/06/2016		43.96 *
						210.00
						210.00 *
						788.53

DEPT # - 03500 WASTEWATER TREATMENT PLANT

VENOR NAME	VENOR ID	DESCRIPTION	INVOICE #	INVOICE DATE	SS	PAY \$
JAMES B REED & ASSOC INC		LABORATORY SERVICES	1605024	5/11/2016		486.00
JAMES B REED & ASSOC INC		LABORATORY SERVICES	1605073	5/19/2016		42.00
DOMINION VIRGINIA POWER		ELECTRICAL SERVICES	55509786275-16	5/13/2016		528.00 *
						518.77
						518.77 *
JORDAIT WASTEWATER		REPAIR & MAINTENANCE SUPPLIES	0235142	4/08/2016		10.70
JORDAIT WASTEWATER		REPAIR & MAINTENANCE SUPPLIES	0236991	5/02/2016		40.39
JORDAIT WASTEWATER		REPAIR & MAINTENANCE SUPPLIES	0237022	5/02/2016		5.98
HOLBROOK COMMUNITY/GENCO		REPAIR & MAINTENANCE SUPPLIES	TR605700	5/17/2016		21.76
USA BUREAU		REPAIR & MAINTENANCE SUPPLIES	939684	4/28/2016		256.60
USA BUREAU		REPAIR & MAINTENANCE SUPPLIES	950230	5/11/2016		66.95

FORM NO. DESCRIPTION

001 SUBSIDIARY EXPENDITURES
TOTAL

95,129.37
75,129.37

**GREENSVILLE COUNTY
WATER AND SEWER AUTHORITY**

TO: Greensville County Water and Sewer Authority

FROM: Glen Gibson, Utility Projects Coordinator

RE: Donation Agreement

DATE: June 1, 2016

Raw water for the Authority's water treatment plant is supplied from the Nottoway River via an intake, which is currently owned by the Georgia Pacific Corporation. Utilization of the raw water supply is governed by a long-standing Agreement between the Authority and G-P.

The Jarratt G-P facility ceased production operations in November of 2013. The plant closure required the Authority Staff to assume responsibility for the operation and maintenance of the raw water system. This was not the intent of the original Agreement; therefore, a new Agreement has been negotiated between G-P and the Authority. A copy of the Agreement is attached. The Agreement has been reviewed and approved by the County Attorney, Mr. Russell Slayton. A summary of the important points is as follows:

Georgia Pacific will donate the following to the Authority:

- The raw water pump station and intake channel, including the land and all equipment in the building, or on the property
- The water line from the pump house to the two ground storage tanks.
- Two 500,000 gallon ground storage tanks, including the land, piping, valves and other incidental items located on the property.
- Three Permanent Pipeline Easements. Two are for the donated water line to pass through G-P property. The other is for a new pipeline that will transport raw water from the proposed new reservoir to the Water Treatment Plant.
- Temporary 20' wide Construction Easements on either side of the permanent easement. It will be used to construct the new raw water line.

The Authority will:

- Provide G-P, or any successor owner, up to 300,000 gallons per day of raw water. The cost will be at the lowest price per gallon at which the Authority provides raw water to any other industrial or commercial user.
- Terminate the existing raw water agreement between G-P and the Authority.

I respectfully recommend the Authority take the following action:

- Authorize the Authority Director to execute the Agreement and supporting documents.

Please contact me if you have any questions or need additional information. Thank you for your attention to this matter.

s.

DONATION AGREEMENT

THIS DONATION AGREEMENT (this "**Agreement**") is made as of the ____ day of May, 2016 (the "**Effective Date**"), by and between **GEORGIA-PACIFIC WOOD PRODUCTS LLC**, a Delaware limited liability company ("**Donor**"), and **GREENSVILLE COUNTY WATER AND SEWER AUTHORITY**, a body politic and corporation duly organized and existing under the laws and Constitution of the Commonwealth of Virginia ("**Donee**").

ARTICLE 1 DONATION

1.1 **Agreement to Donate.** Subject to the terms and conditions hereinafter set forth, Donor, for and in consideration of the mutual covenants and agreements herein contained and other valuable consideration, agrees to donate and Donee agrees to accept that certain (a) real property and any improvements located thereon located in Greensville County, Virginia, as more particularly described on Exhibit A-1, attached hereto and by this reference incorporated herein, together with all and singular the rights and appurtenances pertaining to such property (collectively, the "**Land**"); (b) personal property located in or on the improvements as of the Effective Date (the "**Personal Property**"); and (c) the easement rights described herein and located on the real property more particularly described on Exhibit A-2 attached hereto and by this reference incorporated herein (the "**Easements**") (the rights and property described in this Section 1.1 being herein referred to collectively as the "**Property**").

1.2 **Consideration.** Donee acknowledges that Donor has agreed to convey the Property to Donee as a gift pursuant to this Agreement. Donee agrees to accept the Property subject to the regulations, restrictions, rights and options contained herein, in consideration of the conveyance of the Property by Donor and as an inducement to Donor to so convey the Property to Donee as a gift.

ARTICLE 2 CLOSING

2.1 **Closing Date.** The Closing shall occur on the Effective Date.

2.2 **Donor's Obligations at Closing.** At Closing, Donor shall:

(a) deliver to Donee a duly executed quitclaim deed (the "**Deed**") in the form of Exhibit B, attached hereto and by this reference incorporated herein, conveying the Land, such Deed to contain the restrictive covenants set forth in Section 3.1 hereof and subject to any reservations contained herein;

(b) execute and deliver to Donee a bill of sale in the form of Exhibit C, attached hereto and by this reference incorporated herein, conveying the Personal Property;

(c) execute and deliver to Donee an easement agreement in the form of Exhibit D, attached hereto and by this reference incorporated herein, granting the Easements provided therein as of the Closing (the "Easement Agreement");

(d) execute and deliver to Donee a termination agreement in the form of Exhibit E, attached hereto and by this reference incorporated herein, terminating the agreements provided therein as of the Closing and obligating Donee to provide certain services in the future (the "Termination and Services Agreement");

(e) execute and deliver to Donee a memorandum of termination agreement in the form of Exhibit F, attached hereto and by this reference incorporated herein, terminating the agreements provided therein of public record as of the Closing (the "Memorandum"); and

(f) deliver to Donee possession of the Property.

2.3 Donee's Obligations at Closing. At Closing, Donee shall:

(a) execute and deliver to Donor, the Deed;

(b) execute and deliver to Donor, the Easement Agreement;

(c) execute and deliver to Donor, the Termination and Services Agreement;

(d) Execute and deliver to donor, the Memorandum;

(e) execute and deliver to Donor, Donee's portion of Internal Revenue Service Form 8283, Noncash Charitable Contributions, or such similar or successor form as reasonably required by Donor and any additional documentation required to properly substantiate the donation; and

(f) deliver to Donor such additional documents as shall be reasonably requested by Donor or required to consummate the transaction contemplated by this Agreement.

2.4 Tax Credits and Prorations. All real estate and personal property taxes and assessments, both general and special, relating to the Property for the tax year in which the Closing occurs shall be prorated as of 11:59 PM of the day before the day of Closing; such that Donor shall be responsible for all expenses allocable to the Property for all periods prior to the day of Closing, and Donee shall be responsible for all expenses allocable to the Property for all periods from and after the day of Closing. Real estate taxes and special assessments shall be prorated based upon the amount of said taxes for the year in which the Closing occurs if said amount is known at the time of the Closing; and if said amount is not known at the time of Closing, then such taxes shall be prorated on the basis of current applicable tax or millage rates and the most recent assessed value of the Property after making a fair and reasonable allocation of such assessment between

such Property and any other property covered by such assessment. The provisions of this Section 2.4 shall survive Closing.

2.5 Closing Costs.

(a) Donor shall pay (1) all fees for recording the Deed, the Easement Agreement, the Memorandum and any other recorded instruments effecting the conveyance of the Property to Donee; (2) any transfer tax, sales tax or both which becomes payable by reason of transfer of the Property; and (3) the fees of any counsel representing Donor in connection with this transaction.

(b) Donee shall pay the fees of any counsel representing Donee in connection with this transaction.

(c) All other costs and expenses incident to this transaction and the closing thereof shall be paid by the party incurring same.

ARTICLE 3 USE RESTRICTIONS

3.1 Nature of the Restrictions. Donor and Donee agree that Donee shall accept the Property subject to certain restrictive covenants as set forth in this Section 3.1, said covenants to be contained in the deed conveying the Property from Donor to Donee. At Closing, the Deed or other appropriate recordable document shall reflect the following restrictive covenants: (a) subject to strict compliance at all times with clauses (b) and (c), the Property may not be rezoned or utilized for any purpose other than (i) industrial purposes, (ii) commercial purposes or (iii) similar uses related to the provision of public utilities; (b) there shall be no use of the groundwater from or on the Property for drinking water purposes; and (c) the Property may not be used, occupied or leased for any school, day care center, playground or any similar use by or for children (collectively, the "Restrictive Covenants"). Donee further agrees that the Restrictive Covenants are an integral part of the consideration for the donation of the Property and shall be maintained by Donee, its successors, assigns and any third party to whom Donee may seek to transfer or convey any interest in the Property. In the event Donee or any of its successors or assigns breaches any of the Restrictive Covenants, Donor and any entity related to Donor, in addition to such damage remedies as Donor may have, may pursue any other remedies available to it in law or equity including, without limitation, specific performance or other injunctive relief. To the extent permitted by law, Donee agrees to indemnify Donor against, and hold Donor harmless from, any and all losses, costs, claims, expenses (including attorneys' fees and court costs), suits, actions, judgments, fines, penalties or damages arising out of or resulting from Donee's breach of the Restrictive Covenants. The provisions contained in this Section 3.1 shall expressly survive Closing and delivery and recording of the Deed.

ARTICLE 4 DISCLAIMERS AND WAIVERS; LIMITED INDEMNITY

4.1 No Reliance on Documents. Donor makes no representation or warranty as to the truth, accuracy or completeness of any materials, data or information delivered by Donor to Donee in connection with the transaction contemplated hereby. Donee acknowledges and agrees that all materials, data and information delivered by Donor to Donee in connection with the transactions contemplated hereby are provided to Donee as a convenience only and that any reliance on or use of such materials, data or information by Donee shall be at the sole risk of Donee. Without limiting the generality of the foregoing provisions, Donee acknowledges and agrees that (a) Donee has received and reviewed those certain reports and information listed on Schedule 1 attached hereto and by this reference incorporated herein (the "Asbestos Survey"), (b) Donee shall not have any right to rely on any report delivered by Donor to Donee, including, without limitation the Asbestos Survey, but rather will rely on its own inspections and investigations of the Property and any reports commissioned by Donee with respect thereto, and (c) neither Donor, any affiliate of Donor nor the person or entity which prepared any such report delivered by Donor to Donee, including, without limitation, the Asbestos Survey, shall have any liability to Donee for any inaccuracy in or omission from any such report.

4.2 Disclaimers. OTHER THAN THE REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 5.2, IT IS UNDERSTOOD AND AGREED THAT DONOR IS NOT MAKING AND HAS NOT AT ANY TIME MADE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESSED OR IMPLIED, WITH RESPECT TO THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OR REPRESENTATIONS AS TO HABITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, ZONING, TAX CONSEQUENCES, LATENT OR PATENT PHYSICAL OR ENVIRONMENTAL CONDITION, UTILITIES, OPERATING HISTORY OR PROJECTIONS, VALUATION, GOVERNMENTAL APPROVALS, THE COMPLIANCE OF THE PROPERTY WITH GOVERNMENTAL LAWS, THE TRUTH, ACCURACY OR COMPLETENESS OF THE PROPERTY DOCUMENTS OR ANY OTHER INFORMATION PROVIDED BY OR ON BEHALF OF DONOR TO DONEE, INCLUDING, WITHOUT LIMITATION, THE ASBESTOS SURVEY, OR ANY OTHER MATTER OR THING REGARDING THE PROPERTY. DONEE ACKNOWLEDGES AND AGREES THAT UPON CLOSING DONOR SHALL TRANSFER AND CONVEY TO DONEE AND DONEE SHALL ACCEPT THE PROPERTY "AS IS, WHERE IS, WITH ALL FAULTS". DONEE HAS NOT RELIED AND EXCEPT AS EXPRESSLY PROVIDED HEREIN WILL NOT RELY ON, AND DONOR IS NOT LIABLE FOR OR BOUND BY, ANY EXPRESS OR IMPLIED WARRANTIES, GUARANTIES, STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY OR RELATING THERETO MADE OR FURNISHED BY DONOR, INCLUDING, WITHOUT LIMITATION, THE ASBESTOS SURVEY, ANY MANAGER OF THE PROPERTY, OR ANY AGENT REPRESENTING OR PURPORTING TO REPRESENT DONOR, TO WHOMEVER MADE OR GIVEN, DIRECTLY OR INDIRECTLY, ORALLY OR IN WRITING.

DONEE REPRESENTS TO DONOR THAT DONEE HAS CONDUCTED SUCH INVESTIGATIONS OF THE PROPERTY, AS DONEE DEEMS NECESSARY TO SATISFY ITSELF AS TO THE CONDITION OF THE PROPERTY AND WILL

RELY SOLELY UPON SAME AND NOT UPON ANY INFORMATION PROVIDED BY OR ON BEHALF OF DONOR OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO, INCLUDING, WITHOUT LIMITATION, THE ASBESTOS SURVEY. UPON CLOSING AND EXCEPT AS EXPRESSLY PROVIDED HEREIN, DONEE SHALL ASSUME THE RISK THAT ADVERSE MATTERS, INCLUDING BUT NOT LIMITED TO, ALL MATTERS DISCLOSED BY THE ASBESTOS SURVEY AND ANY OTHER ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS, MAY NOT HAVE BEEN REVEALED BY DONEE'S INVESTIGATIONS, AND DONEE, UPON CLOSING AND EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, SHALL BE DEEMED TO HAVE WAIVED, RELINQUISHED AND RELEASED DONOR (AND DONOR'S OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES AND AGENTS) FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION (INCLUDING CAUSES OF ACTION IN TORT OR UNDER ANY ENVIRONMENTAL LAW), LOSSES, DAMAGES, LIABILITIES (WHETHER BASED ON STRICT LIABILITY OR OTHERWISE), LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS) OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, WHICH DONEE MIGHT HAVE ASSERTED OR ALLEGED AGAINST DONOR (AND DONOR'S OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES AND AGENTS) AT ANY TIME BY REASON OF OR ARISING OUT OF ANY PHYSICAL CONDITIONS, VIOLATIONS OF ANY APPLICABLE LAWS (INCLUDING, WITHOUT LIMITATION, ANY ENVIRONMENTAL LAWS AN ALL MATTERS DISCLOSED BY THE ASBESTOS SURVEY) AND ANY AND ALL OTHER ACTS, OMISSIONS, EVENTS, CIRCUMSTANCES OR MATTERS REGARDING THE PROPERTY. EXCEPT AS PROVIDED IN SECTION 4.4, DONEE AGREES THAT SHOULD ANY INVESTIGATION, CLEANUP, REMEDIATION OR REMOVAL OF HAZARDOUS SUBSTANCES OR OTHER ENVIRONMENTAL CONDITIONS ON OR RELATED TO THE PROPERTY BE REQUIRED AFTER THE DATE OF CLOSING, INCLUDING, WITHOUT LIMINATION, ANY MATTERS DISCLOSED BY THE ASBESTOS SURVEY, DONOR SHALL HAVE NO LIABILITY TO DONEE TO PERFORM OR PAY FOR SUCH INVESGTIGATION, CLEAN UP, REMOVAL OR REMEDIATION.

4.3 **Effect and Survival of Disclaimers**. Donor and Donee acknowledge that the provisions of this Article 4 are an integral part of this transaction and a material inducement to Donor to enter into this Agreement. Donor and Donee agree that the provisions of this Article 4 shall survive Closing or any termination of this Agreement.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 **Donee's Representations and Warranties**. Donee hereby represents and warrants to Donor as follows:

(a) Organization and Good Standing; Charitable Status. Donee is a body politic and corporation duly organized and existing under the laws and Constitution of the Commonwealth of Virginia.

(b) Authority. All action on the part of Donee necessary for the authorization, execution, delivery, and performance by Donee of this Agreement and the consummation of the transactions contemplated hereby have been taken or will be taken by the Closing Date.

(c) Enforceability. This Agreement is a legal, valid, and binding obligation of Donee, enforceable against Donee in accordance with its terms, except as limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws from time to time in effect that affect creditors' rights generally and by legal and equitable limitations on the availability of specific remedies.

5.2 Donor's Representations and Warranties. Donor hereby represents and warrants to Donee as follows:

(a) Organization and Good Standing. Donor is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware.

(b) Authority. All action on the part of Donor necessary for the authorization, execution, delivery, and performance by Donor of this Agreement and the consummation of the transactions contemplated hereby have been taken.

(c) Enforceability. This Agreement is a legal, valid, and binding obligation of Donor, enforceable against Donor in accordance with its terms, except as limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws from time to time in effect that affect creditors' rights generally and by legal and equitable limitations on the availability of specific remedies.

ARTICLE 6 BROKER REPRESENTATION

6.1 Broker's Commission. All negotiations relative to this Agreement and the donation of the Property as contemplated by and provided for in this Agreement have been conducted by and between Donor and Donee without the intervention of any person or other party as agent or broker. Donor and Donee warrant and represent to each other that, Donor and Donee have not entered into any agreement or arrangement and have not received services from any broker or broker's employees or independent contractors which would give rise to any claim of lien or lien against the Property, and there are and will be no broker's commissions or fees payable in connection with this Agreement or the donation of the Property by reason of their respective dealings, negotiations or communications. Donor and Donee shall and do each hereby indemnify, defend and hold harmless each of the others from and against any and all liabilities, damages, losses, costs and expenses (including attorneys' fees and expenses) in any manner arising out of, by

Attention: Dave Whittington

With a copy to:

Slayton & Cary
411 South Hicks Street
Lawrenceville, Virginia 23868
Attention: Russell O. Slayton, Jr., Esq.

7.4 Modifications. This Agreement cannot be changed orally, and no agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

7.5 Calculation of Time Periods. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State in which the Property is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5:00 p.m., E.S.T. Time is of the essence.

7.6 Successors and Assigns. Subject to Section 7.2 hereof, the terms and provisions of this Agreement are to apply to and bind the permitted successors and assigns of the parties hereto.

7.7 Entire Agreement. This Agreement, including the Exhibits, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter.

7.8 Further Assurances. Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action, whether prior or subsequent to Closing, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement. The provisions of this Section 7.8 shall survive Closing.

7.9 Counterparts; Facsimile and PDF as a Writing. This Agreement may be executed in any number of counterparts, and it shall not be necessary that the signatures of the parties hereto be contained on any one counterpart hereof. Additionally: (i) the signature pages taken from separate individually executed counterparts of this Agreement may be combined to form multiple fully executed counterparts; and (ii) electronic delivery of signature (i.e., transmission by any party of his, her or its signature on an original or any copy of this Agreement by facsimile or by electronic mail over the internet in electronic format (e.g., so-called "PDF" or "portable document format") shall be deemed to be the delivery by such party of his, her or its original signature hereon. All executed counterparts of this Agreement shall be deemed to be originals, but all such counterparts, taken together or collectively, as the case may be, shall constitute one and

the same instrument. Notwithstanding any statutory or decisional law to the contrary, notices and documents delivered by electronic delivery (i.e., transmission by facsimile or by electronic mail over the internet in electronic format (e.g., so-called "PDF" or "portable document format")) shall be deemed to be "written" and a "writing" for all purposes of this Agreement.

7.10 **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

7.11 **Applicable Law.** This Agreement is performable in the state in which the Property is located and shall in all respects be governed by, and construed in accordance with, the substantive federal laws of the United States and the laws of such state. This provision shall survive the Closing of the transaction contemplated by this Agreement.

7.12 **No Third Party Beneficiary.** The provisions of this Agreement and of the documents to be executed and delivered at Closing are and will be for the benefit of Donor and Donee only and are not for the benefit of any third party, and accordingly, no third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.

7.13 **No Joint Venture.** This Agreement is not intended, nor shall it be deemed or construed to create a partnership or joint venture between Donor and Donee, nor to make Donor in any way responsible for the debts or obligations of Donee.

7.14 **Captions.** The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent or for any purpose, to limit or define the text of any section or any subsection hereof.

7.15 **Construction.** The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

7.16 **Right to Counsel; No Presumption Against Drafter.** DONEE EXPRESSLY ACKNOWLEDGES AND AGREES THAT DONEE HAS HAD AMPLE OPPORTUNITY TO EMPLOY A LAWYER TO REPRESENT DONEE IN CONNECTION WITH THE NEGOTIATION OF THIS AGREEMENT AND THE DONATION AND CLOSING CONTEMPLATED THEREIN. DONEE UNDERSTANDS THAT DONEE HAS BEEN EXPRESSLY ADVISED OF THAT RIGHT BY DONOR AND ITS COUNSEL. DONEE MAY OR MAY NOT EMPLOY COUNSEL AT ITS ELECTION. FURTHERMORE, DONEE ACKNOWLEDGES THAT DONOR'S IN-HOUSE COUNSEL (AND OUTSIDE COUNSEL, WHERE APPLICABLE) REPRESENT DONOR'S INTERESTS ONLY, THAT NO ATTORNEY-CLIENT RELATIONSHIP HAS BEEN CREATED BETWEEN DONEE AND SUCH COUNSEL, AND SUCH COUNSEL HAS NO FIDUCIARY DUTY TO DONEE. This Agreement shall be construed without regard to any presumption or other

rule requiring construction against the party drafting the document. It shall be construed neither for nor against Donor or Donee, but shall be given reasonable interpretation in accordance with the plain meaning of its terms and the intent of the parties.

[Remainder of Page Left Intentionally Blank]

EXECUTED to be effective as of the _____ day of May, 2016.

DONOR:

**GEORGIA-PACIFIC WOOD
PRODUCTS LLC**, a Delaware limited
liability company

By: _____
Name: Gerald A. Shirk
Title: Vice President – Real Estate

EXECUTED to be effective as of the ____ day of May, 2016.

DONEE:

**GREENSVILLE COUNTY WATER
AND SEWER AUTHORITY**, a body
politic and corporation duly organized and
existing under the Constitution and laws of
the Commonwealth of Virginia

By: _____
Name: _____
Title: _____

EXHIBIT A-1
LAND

Fee Parcel 1:

All that certain lot or parcel of land with all improvements thereon and appurtenances thereunto belonging, situate, lying and being in the Nottoway District, Greensville County, Virginia containing 1.35 acres and being a portion of a 98.16 acre parcel known as "The Walton Place" shown in Plat Book 3, Page 86 in the Clerk's Office of Greensville County, Virginia, and also shown on a plat dated September 22, 2015 by B & B Consultants, Inc. and more particularly described as follows:

Beginning at an iron pin found at a common corner between Georgia -Pacific Wood Products LLC property and the property of Greensville County Water and Sewer Authority; thence along an existing line between Georgia-Pacific Wood Products LLC and Greensville County Water and Sewer Authority S00°26'30"E 38.01' to an existing pipe found; thence S12°48'44"E 210.42' to an iron pin found; thence along a new line through the lands of Georgia-Pacific Wood Products LLC S38°23'35"W 18.79' to an iron pin set; thence S48°30'27"W 141.50' to an iron pin found; thence along the arc of a curve to the left with a radius of 212.43', an arc distance of 45.88', a chord bearing of S42°19'12"W, and a chord distance of 45.79' to an iron pin set; thence continuing through the lands of Georgia-Pacific Wood Products LLC N75°32'16"W 152.42' to an iron pin set; thence N14°27'44"E 102.57' along a new line through the property of Georgia-Pacific Wood Products LLC; thence continuing through the property of Georgia-Pacific Wood Products LLC N42°00'42"E 333.96' to the point of beginning and containing 1.35 acres.

Fee Parcel 2:

All that certain lot or parcel of land with all improvements thereon and appurtenances thereunto belonging, situate, lying and being in the Nottoway District, Greensville County, Virginia containing 5.86 acres and being shown on a plat by B & B Consultants, Inc. dated January 29, 2016 and more particularly described as follows:

Beginning at an iron pin set on the southerly bank of the Nottoway River at a common corner of the property of Georgia-Pacific Wood Products, LLC and Spruce Creek Land and Timber, LLC; thence leaving the property of Spruce Creek Land and Timber, LLC and along the southerly bank of the Nottoway River N60°53'28"E 399.72' to an existing pipe found on the property of the William N. Jarratt Estate; thence leaving the river and along the Jarratt Estate S36°57'11"W 404.92' to an existing pipe found; thence S21°54'12"E 149.82' to an existing pipe found; thence continuing with the Jarratt Estate S24°49'12"E 279.84' to an existing pipe found; thence S30°39'12"E 879.78' to an existing pipe found; thence continuing with the Jarratt Estate S32°29'12"E 1104.84' to an existing pipe found; thence S02°22'12"E 927.30' to an existing pipe found; thence continuing with the Jarratt Estate S09°19'12"E 995.28' to an existing pipe found; thence S25°04'12"E 2001.12' to an existing pipe found; thence with the Jarratt Estate

S15°26'09"E 80.94' to an iron pin set on the easterly right-of-way of Virginia State Route 630; thence leaving the lands of the William N. Jarratt Estate and along the easterly right-of-way of Virginia State Route 630 along the arc of a curve to the right with a radius of 235.00', an arc length of 130.23', a chord bearing of N40°39'39"W, and a chord distance of 128.57' to a point; thence N24°47'09"W 1813.45' to a point; thence along the arc of a curve to the right with a radius of 1176.56', an arc length of 332.24', a chord bearing of N16°41'46"W, and a chord distance of 331.13' to a point; thence continuing with the right-of-way line N08°36'24"W 574.98' to a point; thence along the arc of a curve to the right with a radius of 4143.41", an arc distance of 438.00', a chord bearing of N05°34'41"W, and a chord distance of 437.80' to a point; thence N02°32'59"W 569.57' to a point; thence along the arc of a curve to the left with a radius of 546.58', an arc distance of 275.50', a chord bearing of N16°59'22"W, and a chord distance of 272.59' to a point; thence N31°25'45"W 1583.07' to a point; thence continuing with the right-of-way line along the arc of a curve to the right with a radius of 3638.77', an arc length of 244.79' a chord bearing of N29°30'07"W, and a chord distance of 244.74' to a point; thence N65°11'58"E 3.49' to a point; thence N24°48'02"W 100.00' to a point; thence continuing with the right-of-way N31°27'20"W 268.54' to an iron pin set; thence leaving the right-of-way of Virginia State Route 630 and along the property of Spruce Creek Land and Timber, LLC N21°54'12"W 247.91' to the point of beginning and containing 5.86 acres.

EXHIBIT A-2
EASEMENT AREAS

Easement Parcel 1:

All that area of land shown on a plat by B & B Consultants, Inc. as a "Proposed Utility Easement", said plat being dated September 22, 2015, being in the Nottoway District of Greensville County, Virginia, said easement being across the lands of Georgia-Pacific Wood Products, LLC, and more particularly described as follows:

Beginning at an iron pin found at a common property corner of Georgia-Pacific Wood Products, LLC and Greensville County Water and Sewer Authority; thence leaving the property of Greensville County Water and Sewer Authority S42°00'42"W 98.13' to a point; thence N24°12'34"E 44.92' to a point; thence N82°28'12"W 111.24' to a point on the property line of another parcel owned by Georgia-Pacific Wood Products, LLC; thence along the property line of two adjoining Georgia-Pacific Wood Products, LLC parcels N26°18'48"E 42.25' to a point; thence leaving the said property line and continuing through the property of Georgia-Pacific Wood Products, LLC S82°28'12"E 109.62' to a point; thence N24°12'34"E 660.93' to a point; thence N17°32'15"E 259.90' to a point on a third property of Georgia-Pacific Wood Products, LLC; thence with the third property of Georgia-Pacific Wood Products, LLC S86°08'00"E 51.74' to a point; thence leaving the common property line and through the lands of Georgia-Pacific Wood Products, LLC S21°46'49"W 275.74' to a common property corner of Georgia-Pacific Wood Products, LLC and Greensville County Water and Sewer Authority; thence along the property line of Georgia-Pacific Wood Products, LLC and Greensville County Water and Sewer S24°12'34"W 654.82' to the point of beginning and containing 0.83 acres.

Easement Parcel 2:

All that area of land shown on a plat by B & B Consultants, Inc. as "Plat of a Proposed 30' Wide Utility Easement", said plat being dated August 18, 2015, and revised September 22, 2015, being in the Nottoway District, Greensville County, Virginia, said easement being across three parcels of land owned by Georgia-Pacific Wood Products, LLC, and more particularly described as follows:

Beginning at a point in the center of a branch; thence leaving the branch S67°19'06"E 1956.27' to a point on a property line between two parcels owned by Georgia-Pacific Wood Products, LLC; thence leaving the first parcel of Georgia-Pacific Wood products, LLC and through the second parcel of land owned by Georgia-Pacific Wood Products, LLC S67°48'12"E 291.00' to a point; thence S82°28'12"E 1975.00' to a point in the property line of a third parcel owned by Georgia-Pacific Wood Products, LLC; thence leaving the second parcel of Georgia-Pacific Wood Products, LLC and through the third parcel S82°28'12"E 926.83 to a point on a fourth parcel owned by Georgia-Pacific Wood Products, LLC; thence along the property line of the third and fourth parcel

S26°18'48"W 31.69' to a point; thence leaving the fourth parcel and through the third parcel N82°28'12"W 923.87' to a point in the property line between parcels two and three; thence leaving parcel three and through parcel two N82°28'12"W 1971.61' to a point; thence continuing through parcel two N67°48'12"W 286.97' to a point in the property line between parcel two and parcel one; thence leaving parcel two and through parcel one N67°48'12"W 8.02' to a point; thence N67°19'06"W 1934.26' to a point in the center of a branch; thence along the center of the branch N21°35'32"E 3.48' to a point; thence N17°04'28"W 34.50' to the point of beginning and containing 3.54 acres.

Easement Parcel 3:

All that area of land shown on a plat by B & B Consultants, Inc. as "Plat of a Proposed 50' Wide Utility Easement", said plat being dated September 14, 2015, being in the Nottoway District of Greensville County, Virginia, said easement being across the lands of Georgia-Pacific Wood Products, LLC, and more particularly described as follows:

Beginning at a point on the southerly right-of-way of Virginia State Route 630 at a common property corner of William N. Jarratt Estate and Georgia Pacific Wood Products, LLC; thence leaving the Jarratt Estate and along the arc of a curve to the left with a radius of 265.00', an arc length of 68.12', a chord bearing of S54°31'28"E, and a chord distance of 67.94' to a point on the right-of-way of Virginia State Route 630; thence leaving the right-of-way line along a common property line between the William N. Jarratt Estate and Georgia-Pacific Wood Products, LLC S07°08'03"E 1978.82' to a point; thence S41°27'03"E 1008.27' to a point; thence S11°01'49"E 144.76' to a point on a second parcel owned by Georgia-Pacific Wood Products, LLC; thence leaving the property of the Jarratt Estate and along the property line of the second parcel N86°08'00"W 51.74' to a point; thence leaving the secondary parcel and along the line of a third parcel owned by Georgia-Pacific Wood Products, LLC N11°01'49"W 117.86' to a point; thence N41°27'03"W 1010.12' to a point; thence N07°08'03"W 2040.25' to the point of beginning and containing 3.61 acres.

EXHIBIT B
FORM OF DEED

Prepared by and after recording please return to:

Jeremy J. Hilsman, Esq.
133 Peachtree Street, NE
42nd Floor
Atlanta, Georgia 30303

Tax Parcel Number: _____

QUITCLAIM DEED

THIS QUITCLAIM DEED (this "**Deed**") is made as of the ____ of May, 2016 by **GEORGIA-PACIFIC WOOD PRODUCTS LLC**, a Delaware limited liability company, having an address of 133 Peachtree Street NE, Atlanta, Georgia 30303, Attention: Law Department – Real Estate ("**Grantor**"), **GREENSVILLE COUNTY WATER AND SEWER AUTHORITY**, having an address of 1781 Greenville County Circle, Emporia, Virginia 23847 ("**Grantee**").

W I T N E S S E T H:

THAT FOR AND IN CONSIDERATION of the sum of ONE AND NO/100 DOLLARS (\$1.00) and other good and valuable consideration, in hand paid to Grantor by Grantee at and before the execution, sealing, and delivery hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor has remised, released, conveyed, and forever quitclaimed, and by these presents does remise, release, convey and forever quitclaim unto Grantee, and the successors, legal representatives, and assigns of Grantee, all of Grantor's interest in and to the improvements (including without limitation all structures and fixtures) located on that certain tract or parcel of land lying and being in Greenville County, Virginia, being more particularly described on **Exhibit "A-1"** and more particularly depicted on **Exhibit "A-2"**, attached hereto and incorporated herein by reference (the "**Property**").

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in any wise appertaining, and the reversions and remainders, rents, issues, and profits thereof; and all the estate, right, title, interest, property, claim and demand whatsoever of Grantor, as well at law as in equity, of, in, and

to the same.

TO HAVE AND TO HOLD the above mentioned Property, together with the appurtenances, unto Grantee, its successors, legal representatives, and assigns, forever.

Grantee covenants with Grantor that (i) subject to strict compliance at all times with clauses (ii) and (iii), the Property may not be rezoned or utilized for any purpose other than (a) industrial purposes, (b) commercial purposes or (c) similar uses related to the provision of public utilities; (ii) there shall be no use of the groundwater from or on the Property for drinking water purposes; and (iii) the Property may not be used, occupied or leased for any school, day care center, playground or any similar use by or for children. Should Grantee breach any of the covenants set forth above in this paragraph, Grantor and any affiliate of Grantor, in addition to such damage remedies as Grantor may have, may pursue any other remedies available to it in law or equity including, without limitation, specific performance or other injunctive relief. Grantor's covenants set forth above in this paragraph shall run with title to the lands conveyed hereby.

***[EXEMPT FROM TRANSFER TAX BY VIRTUE OF
VIRGINIA CODE TITLE §58.1-811(3)]***

IN WITNESS WHEREOF, Grantor has caused its duly authorized corporate officer to execute this indenture, to affix its corporate seal hereto, and to deliver this indenture to Grantee, all the day and year first above written.

GRANTOR:

**GEORGIA-PACIFIC WOOD
PRODUCTS LLC**

By: _____
Name: Gerald A. Shirk
Title: Vice President – Real Estate

(CORPORATE SEAL)

STATE OF GEORGIA

COUNTY OF _____

I, _____, a notary public for the county aforesaid, in the State of Georgia, do hereby certify that Gerald A. Shirk whose name, as Vice President – Real Estate of Georgia-Pacific Wood Products LLC, is signed to the writing above bearing date on the ___ day of May, 2016, has acknowledged the same before me in my county aforesaid.

Given under my hand this _____ day of May, 2016.

(NOTARIAL SEAL)

_____, Notary Public

EXHIBIT A-1 TO EXHIBIT B

LEGAL DESCRIPTION OF THE PROPERTY

Tax Parcel Nos. _____

Fee Parcel 1:

All that certain lot or parcel of land with all improvements thereon and appurtenances thereunto belonging, situate, lying and being in the Nottoway District, Greensville County, Virginia containing 1.35 acres and being a portion of a 98.16 acre parcel known as "The Walton Place" shown in Plat Book 3, Page 86 in the Clerk's Office of Greensville County, Virginia, and also shown on a plat dated September 22, 2015 by B & B Consultants, Inc. and more particularly described as follows:

Beginning at an iron pin found at a common corner between Georgia -Pacific Wood Products LLC property and the property of Greensville County Water and Sewer Authority; thence along an existing line between Georgia-Pacific Wood Products LLC and Greensville County Water and Sewer Authority S00°26'30"E 38.01' to an existing pipe found; thence S12°48'44"E 210.42' to an iron pin found; thence along a new line through the lands of Georgia-Pacific Wood Products LLC S38°23'35"W 18.79' to an iron pin set; thence S48°30'27"W 141.50' to an iron pin found; thence along the arc of a curve to the left with a radius of 212.43', an arc distance of 45.88', a chord bearing of S42°19'12"W, and a chord distance of 45.79' to an iron pin set; thence continuing through the lands of Georgia-Pacific Wood Products LLC N75°32'16"W 152.42' to an iron pin set; thence N14°27'44"E 102.57' along a new line through the property of Georgia-Pacific Wood Products LLC; thence continuing through the property of Georgia-Pacific Wood Products LLC N42°00'42"E 333.96' to the point of beginning and containing 1.35 acres.

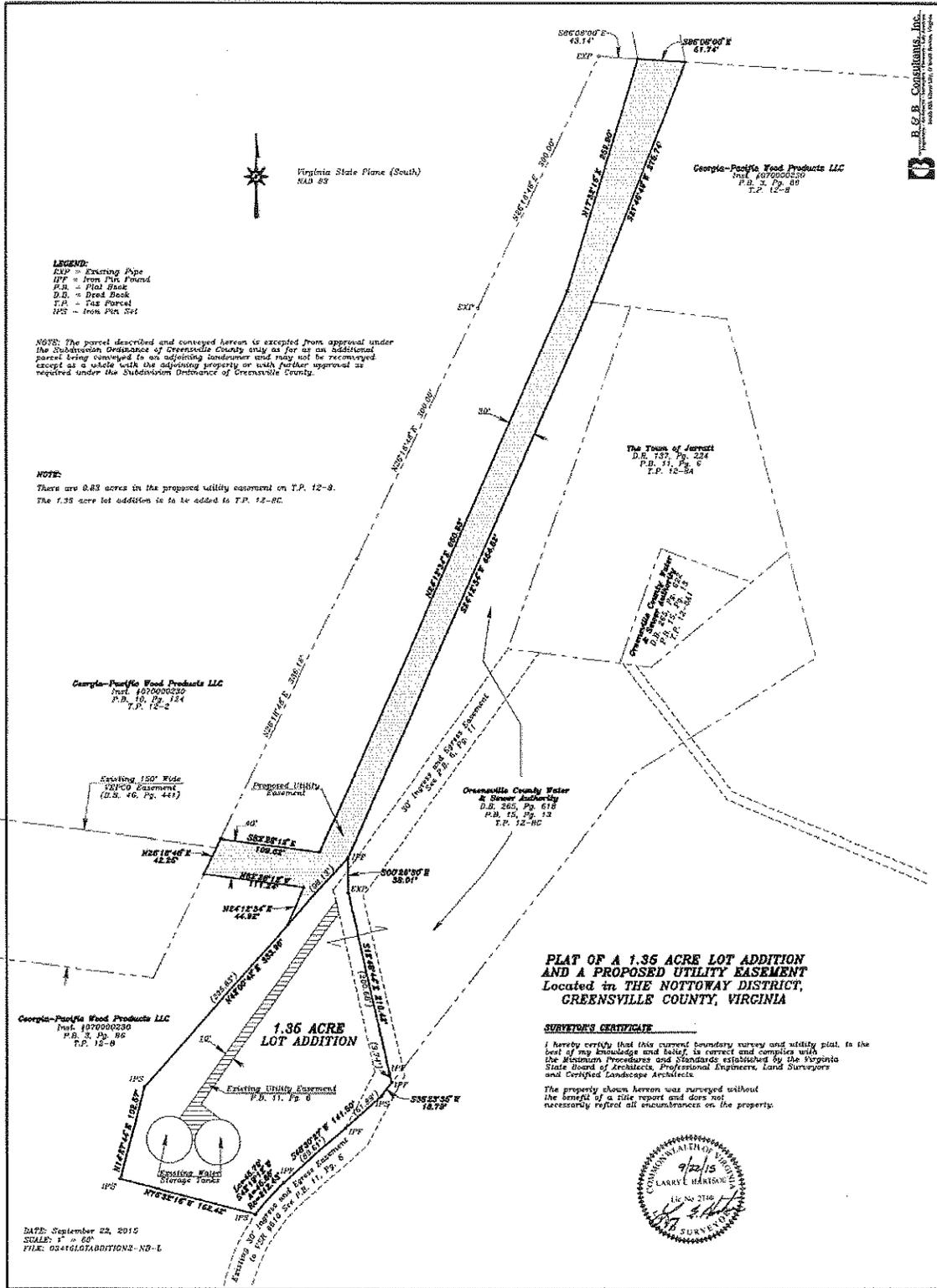
Fee Parcel 2:

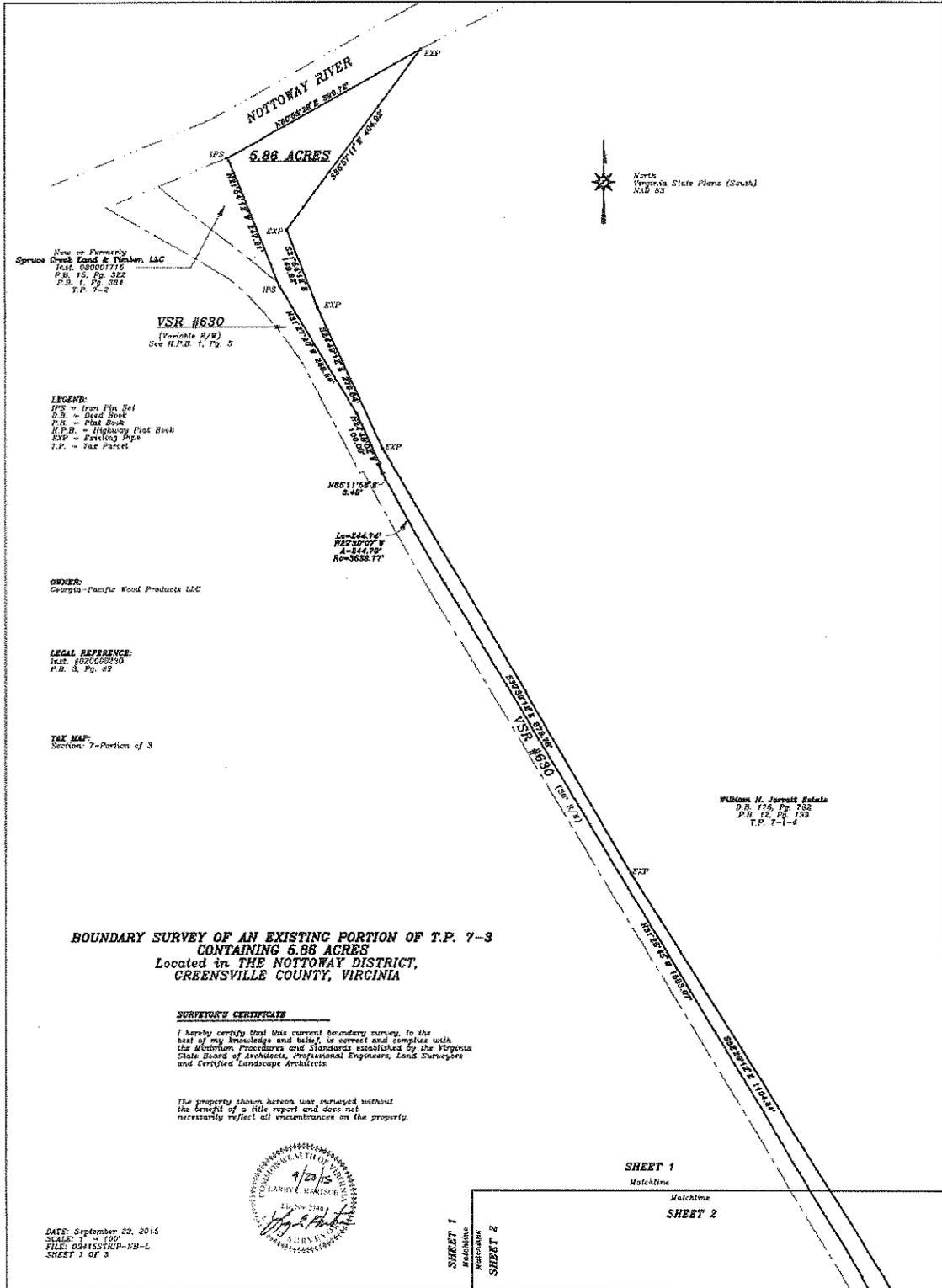
All that certain lot or parcel of land with all improvements thereon and appurtenances thereunto belonging, situate, lying and being in the Nottoway District, Greensville County, Virginia containing 5.86 acres and being shown on a plat by B & B Consultants, Inc. dated January 29, 2016 and more particularly described as follows:

Beginning at an iron pin set on the southerly bank of the Nottoway River at a common corner of the property of Georgia-Pacific Wood Products, LLC and Spruce Creek Land and Timber, LLC; thence leaving the property of Spruce Creek Land and Timber, LLC and along the southerly bank of the Nottoway River N60°53'28"E 399.72' to an existing pipe found on the property of the William N. Jarratt Estate; thence leaving the river and along the Jarratt Estate S36°57'11"W 404.92' to an existing pipe found; thence S21°54'12"E 149.82' to an existing pipe found; thence continuing with the Jarratt Estate S24°49'12"E 279.84' to an existing pipe found; thence

S30°39'12"E 879.78' to an existing pipe found; thence continuing with the Jarratt Estate S32°29'12"E 1104.84' to an existing pipe found; thence S02°22'12"E 927.30' to an existing pipe found; thence continuing with the Jarratt Estate S09°19'12"E 995.28' to an existing pipe found; thence S25°04'12"E 2001.12' to an existing pipe found; thence with the Jarratt Estate S15°26'09"E 80.94' to an iron pin set on the easterly right-of-way of Virginia State Route 630; thence leaving the lands of the William N. Jarratt Estate and along the easterly right-of-way of Virginia State Route 630 along the arc of a curve to the right with a radius of 235.00', an arc length of 130.23', a chord bearing of N40°39'39"W, and a chord distance of 128.57' to a point; thence N24°47'09"W 1813.45' to a point; thence along the arc of a curve to the right with a radius of 1176.56', an arc length of 332.24', a chord bearing of N16°41'46"W, and a chord distance of 331.13' to a point; thence continuing with the right-of-way line N08°36'24"W 574.98' to a point; thence along the arc of a curve to the right with a radius of 4143.41", an arc distance of 438.00', a chord bearing of N05°34'41"W, and a chord distance of 437.80' to a point; thence N02°32'59"W 569.57' to a point; thence along the arc of a curve to the left with a radius of 546.58', an arc distance of 275.50', a chord bearing of N16°59'22"W, and a chord distance of 272.59' to a point; thence N31°25'45"W 1583.07' to a point; thence continuing with the right-of-way line along the arc of a curve to the right with a radius of 3638.77', an arc length of 244.79' a chord bearing of N29°30'07"W, and a chord distance of 244.74' to a point; thence N65°11'58"E 3.49' to a point; thence N24°48'02"W 100.00' to a point; thence continuing with the right-of-way N31°27'20"W 268.54' to an iron pin set; thence leaving the right-of-way of Virginia State Route 630 and along the property of Spruce Creek Land and Timber, LLC N21°54'12"W 247.91' to the point of beginning and containing 5.86 acres.

EXHIBIT A-2 TO EXHIBIT B





Now or Formerly
Spruce Creek Land & Timber, LLC
Nat. 080001776
P.B. 12, Pg. 322
P.B. 1, Pg. 384
T.P. 7-2

VSR #630
(Variable R/W)
See H.P.D. 1, Pg. 5

LEGEND:
IPS = Iron Pin Set
D.B. = Deed Book
P.B. = Plat Book
H.P.D. = Highway Plat Book
EXP = Existing Pipe
T.P. = Tax Parcel

OWNER:
Georgia-Pacific Wood Products LLC

LEGAL REFERENCE:
Nat. 802068250
P.B. 3, Pg. 89

TAX MAP:
Section 7-Portion of 3

William M. Jarratt, State
D.B. 176, Pg. 282
P.B. 12, Pg. 158
T.P. 7-1-4

**BOUNDARY SURVEY OF AN EXISTING PORTION OF T.P. 7-3
CONTAINING 5.86 ACRES
Located in THE NOTTOWAY DISTRICT,
GREENSVILLE COUNTY, VIRGINIA**

SURVEYOR'S CERTIFICATE

I hereby certify that this current boundary survey, to the best of my knowledge and belief, is correct and complies with the Minimum Procedures and Standards established by the Virginia State Board of Architects, Professional Engineers, Land Surveyors and Certified Landscape Architects.

The property shown herein was surveyed without the benefit of a title report and does not necessarily reflect all encumbrances on the property.



DATE: September 22, 2016
SCALE: 1" = 100'
FILE: 081655TRP-NB-L
SHEET 1 OF 3

SHEET 1
MATCHLINE
SHEET 2

SHEET 1
Matchline
SHEET 2

EXHIBIT C
FORM OF BILL OF SALE

FOR VALUE RECEIVED, the undersigned, **GEORGIA-PACIFIC WOOD PRODUCTS LLC**, a Delaware limited liability company, hereinafter called "**Donor**", does hereby donate, transfer and quitclaim unto **GREENSVILLE COUNTY WATER AND SEWER AUTHORITY**, a body politic and corporation duly organized and existing under the Constitution and laws of the Commonwealth of Virginia, hereinafter with its legal representatives, successors and assigns being called "**Donee**" (the words "Donor" and "Donee" to include the neuter, masculine and feminine genders, and the singular and plural), all of the right, title and interest of Donor in and to all of the goods, equipment, machinery, maintenance vehicles and equipment, tools, apparatus and other personal property, including without limitation, the items listed on Schedule 1, located on certain real property situated in Greenville County, Virginia, and being more particularly described on Exhibit A-1, attached hereto and incorporated herein by reference, hereinafter called the "**Land**", all of which is hereinafter collectively called the "**Personalty**".

The Personalty is conveyed by Donor and accepted by Donee subject to the provisions of Section 4.2 of that certain Donation Agreement dated as of May ____, 2016, between Donor and Donee.

IN WITNESS WHEREOF, Donor has caused its duly authorized representative to execute this bill of sale, and to deliver this bill of sale to Donee, all this ____ day of May, 2016.

**GEORGIA-PACIFIC WOOD PRODUCTS
LLC**, a Delaware limited liability company

By: _____
Name: Gerald A. Shirk
Title: Vice President – Real Estate

EXHIBIT A-1 TO EXHIBIT C

LEGAL DESCRIPTION OF THE PROPERTY

Fee Parcel 1:

All that certain lot or parcel of land with all improvements thereon and appurtenances thereunto belonging, situate, lying and being in the Nottoway District, Greensville County, Virginia containing 1.35 acres and being a portion of a 98.16 acre parcel known as "The Walton Place" shown in Plat Book 3, Page 86 in the Clerk's Office of Greensville County, Virginia, and also shown on a plat dated September 22, 2015 by B & B Consultants, Inc. and more particularly described as follows:

Beginning at an iron pin found at a common corner between Georgia -Pacific Wood Products LLC property and the property of Greensville County Water and Sewer Authority; thence along an existing line between Georgia-Pacific Wood Products LLC and Greensville County Water and Sewer Authority S00°26'30"E 38.01' to an existing pipe found; thence S12°48'44"E 210.42' to an iron pin found; thence along a new line through the lands of Georgia-Pacific Wood Products LLC S38°23'35"W 18.79' to an iron pin set; thence S48°30'27"W 141.50' to an iron pin found; thence along the arc of a curve to the left with a radius of 212.43', an arc distance of 45.88', a chord bearing of S42°19'12"W, and a chord distance of 45.79' to an iron pin set; thence continuing through the lands of Georgia-Pacific Wood Products LLC N75°32'16"W 152.42' to an iron pin set; thence N14°27'44"E 102.57' along a new line through the property of Georgia-Pacific Wood Products LLC; thence continuing through the property of Georgia-Pacific Wood Products LLC N42°00'42"E 333.96' to the point of beginning and containing 1.35 acres.

Fee Parcel 2:

All that certain lot or parcel of land with all improvements thereon and appurtenances thereunto belonging, situate, lying and being in the Nottoway District, Greensville County, Virginia containing 5.86 acres and being shown on a plat by B & B Consultants, Inc. dated January 29, 2016 and more particularly described as follows:

Beginning at an iron pin set on the southerly bank of the Nottoway River at a common corner of the property of Georgia-Pacific Wood Products, LLC and Spruce Creek Land and Timber, LLC; thence leaving the property of Spruce Creek Land and Timber, LLC and along the southerly bank of the Nottoway River N60°53'28"E 399.72' to an existing pipe found on the property of the William N. Jarratt Estate; thence leaving the river and along the Jarratt Estate S36°57'11"W 404.92' to an existing pipe found; thence S21°54'12"E 149.82' to an existing pipe found; thence continuing with the Jarratt Estate S24°49'12"E 279.84' to an existing pipe found; thence S30°39'12"E 879.78' to an existing pipe found; thence continuing with the Jarratt Estate S32°29'12"E 1104.84' to an existing pipe found; thence S02°22'12"E 927.30' to an existing pipe found; thence continuing with the Jarratt Estate S09°19'12"E 995.28' to an existing pipe found; thence S25°04'12"E 2001.12' to an existing pipe found; thence with the Jarratt Estate S15°26'09"E 80.94' to an iron pin set on the easterly right-of-way of Virginia State Route 630;

thence leaving the lands of the William N. Jarratt Estate and along the easterly right-of-way of Virginia State Route 630 along the arc of a curve to the right with a radius of 235.00', an arc length of 130.23', a chord bearing of N40°39'39"W, and a chord distance of 128.57' to a point; thence N24°47'09"W 1813.45' to a point; thence along the arc of a curve to the right with a radius of 1176.56', an arc length of 332.24', a chord bearing of N16°41'46"W, and a chord distance of 331.13' to a point; thence continuing with the right-of-way line N08°36'24"W 574.98' to a point; thence along the arc of a curve to the right with a radius of 4143.41", an arc distance of 438.00', a chord bearing of N05°34'41"W, and a chord distance of 437.80' to a point; thence N02°32'59"W 569.57' to a point; thence along the arc of a curve to the left with a radius of 546.58', an arc distance of 275.50', a chord bearing of N16°59'22"W, and a chord distance of 272.59' to a point; thence N31°25'45"W 1583.07' to a point; thence continuing with the right-of-way line along the arc of a curve to the right with a radius of 3638.77', an arc length of 244.79' a chord bearing of N29°30'07"W, and a chord distance of 244.74' to a point; thence N65°11'58"E 3.49' to a point; thence N24°48'02"W 100.00' to a point; thence continuing with the right-of-way N31°27'20"W 268.54' to an iron pin set; thence leaving the right-of-way of Virginia State Route 630 and along the property of Spruce Creek Land and Timber, LLC N21°54'12"W 247.91' to the point of beginning and containing 5.86 acres.

SCHEDULE 1 TO EXHIBIT C

1. The raw water pump house and intake channel located on the Property, including all equipment, pumps, motors, piping, telemetry system and all other incidental items located within the pump house and on the Property.
2. The raw water line from the raw water pump house to the two raw water ground storage tanks.
3. The two (2) raw water ground storage tanks located on the Property, including all piping, valves, instruments and all other related incidental items located on the Property.

EXHIBIT D
FORM OF EASEMENT AGREEMENT

Prepared by and after recording please return to:

Jeremy J. Hilsman, Esq.
133 Peachtree Street, NE
42nd Floor
Atlanta, Georgia 30303

Tax Parcel Number: _____

**TEMPORARY CONSTRUCTION EASEMENT AND PERMANENT WATER AND
SEWER PIPELINE EASEMENT**

THIS TEMPORARY CONSTRUCTION EASEMENT AND PERMANENT WATER AND SEWER PIPELINE EASEMENT (this "**Easement**") is made this ____ day of May, 2016 (the "**Effective Date**"), by and between **GEORGIA-PACIFIC WOOD PRODUCTS LLC**, a Delaware limited liability company ("**GP**") and the **GREENSVILLE COUNTY WATER AND SEWER AUTHORITY**, a body politic and corporation duly organized and existing under the Constitution and laws of the Commonwealth of Virginia ("**GCWSA**").

WITNESSETH:

WHEREAS, GP is the owner in fee simple of certain real property situated in Greensville County, Virginia and more particularly described on **Exhibit "A"** attached hereto and by this reference made a part hereof (the "**GP Property**");

WHEREAS, GCWSA has requested that GP grant and convey to GCWSA a certain (1) temporary, non-exclusive easement for the installation of a pipeline or pipelines for the transportation of water and wastewater together with the necessary fixtures, equipment and appurtenances (collectively, the "**Pipeline**") over, upon and across the GP Property in the areas described herein for the purposes set forth herein (the "**Construction Easement**"), for use by GCWSA, its employees, agents and contractors (collectively, "**Third Parties**") and (2) a permanent, non-exclusive easement for the purpose of maintaining, operating, repairing, replacing and removing in whole or in part the Pipeline together with the right of ingress and

egress to and from the Pipeline subject to the terms and conditions herein over, upon and across the GP Property in the location described on **Exhibit "B"** for the purposes set forth herein (the "**Pipeline Easement**"; collectively with the Construction Easement, the "**Easements**") for use by GCWSA and its Third Parties;

WHEREAS, GP has agreed to grant the Easements to GCWSA subject to the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the terms hereof and other good and valuable consideration not set forth herein, but the receipt and sufficiency of which is hereby acknowledged, GCWSA and GP do hereby agree as follows:

1. Recitals. The recitals set forth hereinabove are true and correct, and are incorporated herein by reference.

2. Grant of Temporary Construction Easement. GP hereby grants, conveys and declares unto GCWSA the Construction Easement over that portion of the GP Property more particularly described on **Exhibit "C"** and depicted on **Exhibit "D"**, each attached hereto and by this reference made a part hereof (the "**Construction Easement Area**"), for the installation and construction of the Pipeline (the "**Construction Work**"). The Construction Easement shall automatically terminate upon the date that is the earlier to occur of: (a) five (5) years after the Effective Date, and (b) the completion of the Construction Work (the "**Construction Work Deadline**"). GCWSA shall provide written notice to GP within ten (10) days after completion of the Construction Work. Prior to commencement of the Construction Work, GCWSA shall provide to GP copies of all engineering and construction plans (the "**Plans**") with respect thereto for GP's approval, such approval not to be unreasonably withheld. GP shall provide written notice to GCWSA of its approval or disapproval of the Plans within ten (10) days after receipt, and any disapproval shall include the reasons therefor. GP's failure to timely respond within such ten (10) day period shall be deemed its approval of the Plans; provided, however, no such deemed approval of the Plans shall in any event modify the terms and conditions contained in this Easement. Upon a disapproval, GCWSA shall revise the Plans to address GP's reasons for disapproval and shall resubmit the Plans to GP for approval. GCWSA acknowledges and agrees that a portion of the Construction Easement Area may contain existing utility lines and related utility infrastructure, including, without limitation, electric lines, water pipelines, and pipelines transporting gas or other highly explosive substances. GCWSA shall take all necessary precautions not to damage, disturb, modify or affect in any way, such utility facilities, including, without limitation, determining the exact location of such facilities prior to commencing the Construction Work.

3. Grant of Permanent Pipeline Easement. GP hereby grants, conveys and declares unto GCWSA the Pipeline Easement upon that portion of the GP Property more particularly described on **Exhibit "B"** and depicted on **Exhibit "D"**, each attached hereto and by this reference made a part hereof (the "**Pipeline Easement Area**"; collectively, with the Construction Easement Area, the "**Easement Areas**"). GCWSA covenants and agrees to maintain the Easement Areas in a clean and safe condition and otherwise in good repair. Promptly after any excavation of soils in the Pipeline Easement area, GCWSA covenants and agrees to take

reasonable measures to avoid erosion and subsidence in the Pipeline Easement Area. If GCWSA has not completed the Construction Work prior to the Construction Work Deadline subject to delays of Force Majeure, the Pipeline Easement shall automatically terminate and be of no further force and effect. As used herein, "**Force Majeure**" shall mean any of the following events or circumstances, but only (a) if and to the extent such event or circumstance is beyond the reasonable control of GCWSA and its Third Parties, (b) if and to the extent GCWSA and all its Third Parties shall have taken all reasonable precaution to prevent delays by reason of such event or circumstance if such event or circumstance was actually known in advance to GCWSA or its Third Parties, (c) if and to the extent such event or circumstance is not caused by the fault or negligence of GCWSA or its Third Parties, and (d) if and to the extent GCWSA and its Third Parties shall have taken all reasonable precautions to prevent further delays owing to such event or circumstance: (i) strikes, work stoppages, lockouts or picketing (legal or illegal); (ii) acts of God, including, without limitation, tornadoes, hurricanes, floods, sinkholes, landslides, earthquakes, epidemics, quarantine and pestilence; (iii) adverse weather conditions not reasonably anticipatable; (iv) fire and other casualties; (v) condemnation or other exercise of the power of eminent domain; (vi) acts of a public enemy, acts of war, terrorism, effects of nuclear radiation, blockades, insurrections, riots, civil disturbances or national or international calamities; and (vii) unavailability of materials. Force Majeure shall in any event exclude: (A) lack of sufficient funds or any other financial difficulty of GCWSA or its Third Parties; and (B) adverse weather (1) occurring at night or on any day which is not a Business Day, (2) which shall not result in a direct and actual delay in the performance of the Construction Work at the time of such inclement weather, or (3) which was not abnormal or which should have been reasonably anticipated given the climate and season.

4. Alteration; Termination. GP shall have the right, at its sole cost and expense, to alter, modify, relocate and reconfigure the Easement Areas as may be reasonably necessary or appropriate in connection with any development or redevelopment of improvements now or hereafter located on the GP Property, and to the extent that if the Pipeline is not used for the transmission of water for a period of two (2) years (which time period shall commence after completion of the Construction Work subject to the obligation to complete the Construction Work within the time period provided in Section 2), as determined in GP's reasonable discretion, GP shall have the right to terminate this Easement by written notice to GCWSA. Upon any such termination of this Easement and within sixty (60) days after written request from GP, GCWSA shall elect by written notice to GP either to (a) remove any of its improvements constituting the Pipeline or similar improvements (in such instance, a "**Removal**") at its sole cost and expense or (b) abandon the improvements constituting the Pipeline or similar improvements provided abandonment is permitted by law and such abandonment is in otherwise in compliance with all applicable governmental requirements (in such event, an "**Abandonment**"). If GCWSA fails to make an election during such period, GCWSA shall be deemed to have elected an Abandonment. If GCWSA elects or is deemed to have elected an Abandonment, GP shall have the right to conduct a Removal. Notwithstanding any Abandonment, GCWSA shall retain all obligations and liabilities associated with the Pipeline or similar improvements. As a material inducement to GP agreeing to grant the Easements, GCWSA agrees that GP may hereafter unilaterally execute and record an affidavit confirming the termination of the Easements in accordance with the terms hereof for purposes of fully and completely discharging this Easement of record. Any third party shall be entitled to rely fully and without further inquiry upon such affidavit as conclusive evidence of the termination of such easements.

5. Non-Exclusive Nature; Reservation; No Interruption of Utilities. GCWSA acknowledges and agrees that the grant of the Easements herein is of a non-exclusive nature. Accordingly and subject to compliance with the requirements provided on Exhibit "E", GP shall have free access to use the Easement Areas in any manner not inconsistent with and not curtailing the rights of GCWSA expressed herein, including, but not limited to, the right to cross or pave the Easement Areas or install other pipes or other improvements in the Easement Areas at will in the use and enjoyment of GP Property (the "Reserved Rights"). In no event, without the prior written consent of GP, which may be given, conditioned or withheld by GP in its sole but reasonable discretion, may GCWSA take any action which would interrupt the provision of any utilities to the GP Property or otherwise affect GP's operations conducted on the GP Property. As used herein, "Affiliate" shall mean, with respect to any Person, a Person directly or indirectly controlling, controlled by, or under common control with, such Person. For purposes of this definition, "control" (including with correlative meanings, the terms "controlling", "controlled by" and "under common control with") means the possession directly or indirectly of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities or by contract or otherwise. As used herein, "Person" shall mean an individual, partnership, limited liability company, joint venture, association, corporation, trust or any other legal entity.

6. Compliance with Applicable Laws. GCWSA agrees to conform its activities and use of the Easements in accordance with all applicable governmental requirements.

7. Insurance and Indemnity. GCWSA covenants and agrees that, prior to GCWSA or its Third Party's first entry on the GP Property to exercise any rights and easements granted to GCWSA hereunder (collectively, the "Rights"), GCWSA shall obtain and shall at all times thereafter maintain commercial general liability insurance with respect to such activity, naming GP as an additional insured, and insuring against claims of bodily injury and property damage occurring on or about the GP Property arising out of the use, exercise and enjoyment of the Rights to the extent such injury or damage is caused by the negligence, gross negligence or intentional misconduct of GCWSA or its Third Party, from an insurer having a rating from Best's Insurance Reports of not less than A-/VII, with minimum limits of \$5,000,000 per occurrence and \$10,000,000 in the aggregate, which may be obtained by primary and excess coverage. To the extent permitted by applicable law, GCWSA shall and does hereby defend, indemnify and hold GP harmless from and against any and all losses, costs, damages, claims and expenses, including court costs and attorneys' fees that may be asserted against or incurred by the owner of the GP Property as a result of the exercise by GCWSA or its Third Party of the Rights to the extent such loss, cost, damage, claim or expense is caused by the negligence, gross negligence or intentional misconduct of GCWSA or its Third Party.

8. Security. GCWSA shall comply, and shall cause its Third Parties to comply, with any reasonable security and safety procedures required by GP in connection with the privilege of access pursuant to this Section 8, including, without limitation, providing identification prior to entry onto the GP Property.

9. Modification. The easements hereby granted, created and declared sets forth the entire

agreement among the parties and may not be changed, amended or modified except by an instrument in writing, executed by GCWSA and GP.

10. Governing Laws and Severability. This Easement shall be governed, construed and enforced in accordance with the laws of the Commonwealth of Virginia. If any provision of this Easement is hereafter expressly declared by a court of proper jurisdiction to be invalid or unenforceable, then such provision shall be canceled and severed from this Easement and the other provisions of this Easement shall continue in full force and effect.

11. Binding Effect; No Warranty of Title. The Easements hereby created, granted and conveyed shall run with the title to the GP Property as covenants running with the land and shall be binding upon, and shall inure to the benefit of GCWSA and GP, and their respective successors and assigns, including, without limitation, the respective mortgagees, tenants, agents, licensees, guests and invitees of such owner or owners. This Easement is made without warranty of title. The Easements are subject to any and all easements, rights of way, oil and gas leases and servitudes, of whatever kind or nature, which may be presently of record, in full force and affecting the GP Property.

12. Supplemental Terms. The rights granted herein are subject and conditioned upon the terms and conditions set forth on Exhibit "E", attached hereto and by this reference made a part hereof, and GCWSA agrees to be bound by the terms and provision set forth herein.

13. Notices. Wherever any notice, demand, request, consent, approval or other communication (a "Notice" or "notice") is required or permitted hereunder, such notice shall be in writing and shall be deemed effective and given upon receipt if delivered by courier service or upon deposit in the United States Mail, registered or certified mail, return receipt requested, postage prepaid, to the addresses set out below or at such other addresses in the United States as are specified by written notice in accordance herewith:

As to GP:

Georgia-Pacific Wood Products LLC
133 Peachtree Street NE
42nd Floor
Atlanta, Georgia 30303
Attention: Division Counsel – Building Products

With a Copy to:

Georgia-Pacific Wood Products LLC
133 Peachtree Street, NE
42nd Floor
Atlanta, Georgia 30303
Attention: Law Department – Real Estate

As to GCWSA:

Greensville County Water and Sewer Authority
1781 Greensville County Circle
Emporia, Virginia
Attention: Dave Whittington

With a copy to: Slayton & Cary
411 South Hicks Street
Lawrenceville, Virginia 23868
Attention: Russell O. Slayton, Jr., Esq.

Notwithstanding anything contained herein to the contrary, any time period referenced herein for responding to a notice sent by certified or registered mail shall commence to run from the date of actual receipt of any such notice as evidenced by the return receipt of any such notice. In any event in which a party required to consent or agree with respect to any matter involving this Easement, unless a different time frame is specifically provided for in this Easement, each party hereto shall be required to respond to any request for a consent or approval within fifteen (15) business days of receipt of a written request from another party hereto requesting such consent or approval, and if no response is received from the party receiving such notice within such time frame, the party providing such notice shall be authorized to conclusively presume that the request or approval submitted is acceptable to the party failing to respond.

14. Self-Help. If GCWSA shall fail to perform any acts, covenants or agreements to be performed by GCWSA under any of the terms of this Easement, and such failure shall continue for ten (10) days after notice thereof by GP, GP may, but shall not be obligated so to do, and without waiving or releasing GCWSA from any obligations, make any such payment or perform any such act, covenant or agreement on GCWSA's part to be made or performed as in this Easement provided. All sums so paid by GP or costs related to GP's performance of such acts, covenants or agreements and all necessary incidental costs, together with interest thereon at the rate of eight percent (8%) from the date of such payment by GP, shall be reimbursed by GCWSA within ten (10) days of written request therefore by GP.

[EXECUTION ON FOLLOWING PAGE]

IN WITNESS WHEREOF, GCWSA and GP have executed this Easement in manner and form sufficient to bind them as of the day and year first above written.

“GCWSA”

GREENSVILLE COUNTY WATER AND SEWER AUTHORITY, a body politic and corporation duly organized and existing under the Constitution and laws of the Commonwealth of Virginia

By: _____
Name: _____
Title: _____

STATE OF _____

COUNTY OF _____

I, _____, a notary public for the county aforesaid, in the State of _____, do hereby certify that _____ whose name, as _____, is signed to the writing above bearing date on the ____ day of May, 2016, has acknowledged the same before me in my county aforesaid.

Given under my hand this _____ day of May, 2016.

(NOTARIAL SEAL)

_____, Notary Public

“GP”

**GEORGIA-PACIFIC WOOD PRODUCTS
LLC**, a Delaware limited liability company

By: _____
Name: Gerald A. Shirk
Title: Vice President – Real Estate

STATE OF GEORGIA

COUNTY OF _____

I, _____, a notary public for the county aforesaid, in the State of Georgia, do hereby certify that Gerald A. Shirk whose name, as Vice President – Real Estate of Georgia-Pacific Wood Products LLC, is signed to the writing above bearing date on the ___ day of May, 2016, has acknowledged the same before me in my county aforesaid.

Given under my hand this _____ day of May, 2016.

(NOTARIAL SEAL)

_____, Notary Public

EXHIBIT A OF EXHIBIT D
GP PROPERTY
LEGAL DESCRIPTION

All that certain real property described in that certain Quitclaim Deed from Georgia-Pacific Corporation to Grantor dated as of December 31, 2006, and recorded in the Clerk's Office of Greensville County, Virginia on February 6, 2007 as Instrument Number 070000230.

EXHIBIT B OF EXHIBIT D

PERMANENT PIPELINE EASEMENT

Easement Parcel 1:

All that area of land shown on a plat by B & B Consultants, Inc. as a "Proposed Utility Easement", said plat being dated September 22, 2015, being in the Nottoway District of Greensville County, Virginia, said easement being across the lands of Georgia-Pacific Wood Products, LLC, and more particularly described as follows:

Beginning at an iron pin found at a common property corner of Georgia-Pacific Wood Products, LLC and Greensville County Water and Sewer Authority; thence leaving the property of Greensville County Water and Sewer Authority S42°00'42"W 98.13' to a point; thence N24°12'34"E 44.92' to a point; thence N82°28'12"W 111.24' to a point on the property line of another parcel owned by Georgia-Pacific Wood Products, LLC; thence along the property line of two adjoining Georgia-Pacific Wood Products, LLC parcels N26°18'48"E 42.25' to a point; thence leaving the said property line and continuing through the property of Georgia-Pacific Wood Products, LLC S82°28'12"E 109.62' to a point; thence N24°12'34"E 660.93' to a point; thence N17°32'15"E 259.90' to a point on a third property of Georgia-Pacific Wood Products, LLC; thence with the third property of Georgia-Pacific Wood Products, LLC S86°08'00"E 51.74' to a point; thence leaving the common property line and through the lands of Georgia-Pacific Wood Products, LLC S21°46'49"W 275.74' to a common property corner of Georgia-Pacific Wood Products, LLC and Greensville County Water and Sewer Authority; thence along the property line of Georgia-Pacific Wood Products, LLC and Greensville County Water and Sewer S24°12'34"W 654.82' to the point of beginning and containing 0.83 acres.

Easement Parcel 2:

All that area of land shown on a plat by B & B Consultants, Inc. as "Plat of a Proposed 30' Wide Utility Easement", said plat being dated August 18, 2015, and revised September 22, 2015, being in the Nottoway District, Greensville County, Virginia, said easement being across three parcels of land owned by Georgia-Pacific Wood Products, LLC, and more particularly described as follows:

Beginning at a point in the center of a branch; thence leaving the branch S67°19'06"E 1956.27' to a point on a property line between two parcels owned by Georgia-Pacific Wood Products, LLC; thence leaving the first parcel of Georgia-Pacific Wood products, LLC and through the second parcel of land owned by Georgia-Pacific Wood Products, LLC S67°48'12"E 291.00' to a point; thence S82°28'12"E 1975.00' to a point in the property line of a third parcel owned by Georgia-Pacific Wood Products, LLC; thence leaving the second parcel of Georgia-Pacific Wood Products, LLC and through the third parcel S82°28'12"E 926.83 to a point on a fourth parcel owned by Georgia-Pacific Wood Products, LLC; thence along the property line of the third and fourth parcel S26°18'48"W 31.69' to a point; thence leaving the fourth parcel and through the third parcel N82°28'12"W 923.87' to a point in the property line between parcels

two and three; thence leaving parcel three and through parcel two N82°28'12"W 1971.61' to a point; thence continuing through parcel two N67°48'12"W 286.97' to a point in the property line between parcel two and parcel one; thence leaving parcel two and through parcel one N67°48'12"W 8.02' to a point; thence N67°19'06"W 1934.26' to a point in the center of a branch; thence along the center of the branch N21°35'32"E 3.48' to a point; thence N17°04'28"W 34.50' to the point of beginning and containing 3.54 acres.

Easement Parcel 3:

All that area of land shown on a plat by B & B Consultants, Inc. as "Plat of a Proposed 50' Wide Utility Easement", said plat being dated September 14, 2015, being in the Nottoway District of Greensville County, Virginia, said easement being across the lands of Georgia-Pacific Wood Products, LLC, and more particularly described as follows:

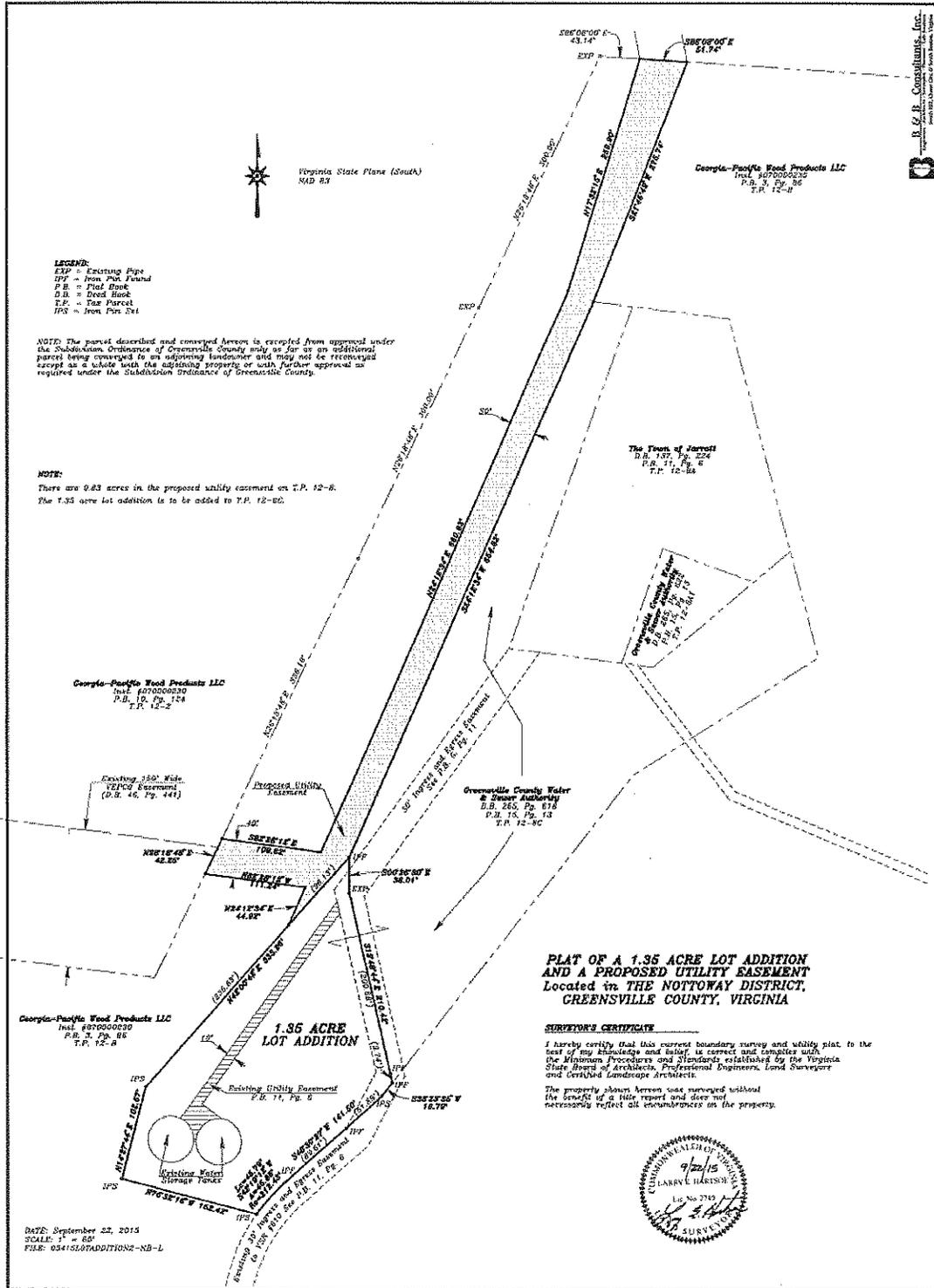
Beginning at a point on the southerly right-of-way of Virginia State Route 630 at a common property corner of William N. Jarratt Estate and Georgia Pacific Wood Products, LLC; thence leaving the Jarratt Estate and along the arc of a curve to the left with a radius of 265.00', an arc length of 68.12', a chord bearing of S54°31'28"E, and a chord distance of 67.94' to a point on the right-of-way of Virginia State Route 630; thence leaving the right-of-way line along a common property line between the William N. Jarratt Estate and Georgia-Pacific Wood Products, LLC S07°08'03"E 1978.82' to a point; thence S41°27'03"E 1008.27' to a point; thence S11°01'49"E 144.76' to a point on a second parcel owned by Georgia-Pacific Wood Products, LLC; thence leaving the property of the Jarratt Estate and along the property line of the second parcel N86°08'00"W 51.74' to a point; thence leaving the secondary parcel and along the line of a third parcel owned by Georgia-Pacific Wood Products, LLC N11°01'49"W 117.86' to a point; thence N41°27'03"W 1010.12' to a point; thence N07°08'03"W 2040.25' to the point of beginning and containing 3.61 acres.

EXHIBIT C OF EXHIBIT D

TEMPORARY CONSTRUCTION EASEMENT AREA

An additional area that is twenty feet (20') on either side of the Permanent Pipeline Easement.

EXHIBIT D OF EXHIBIT D
DEPICTION OF EASEMENT AREAS



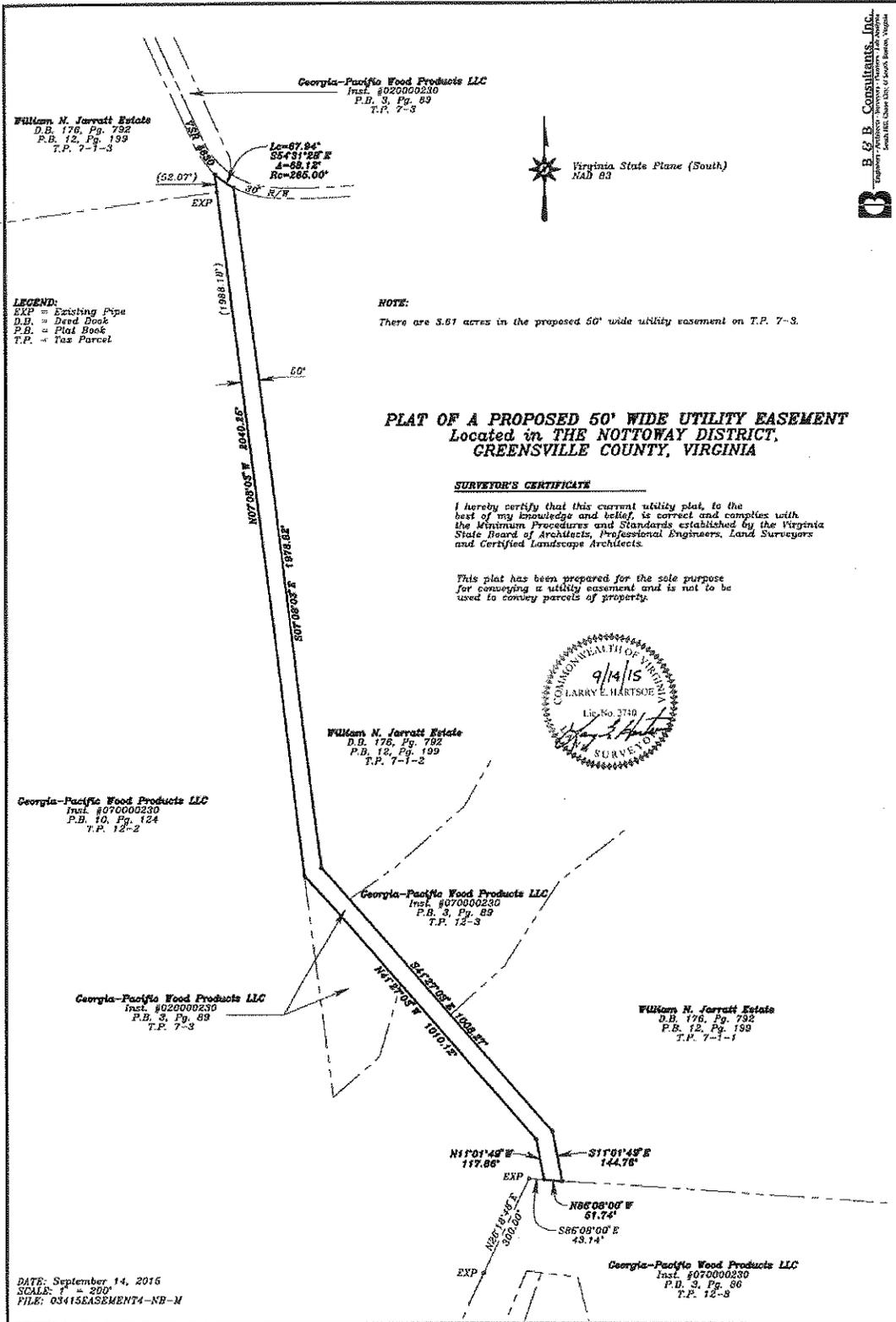


EXHIBIT D TO EXHIBIT D

EXHIBIT E OF EXHIBIT D
SUPPLEMENTAL TERMS

GCWSA, with respect to the Pipeline Easement, the Temporary Construction Easement, and the Construction Work, GCWSA agrees as follows:

1. In each event or instance of the performance of the Construction Work, to the extent practicable, GCWSA, at GCWSA's own expense, shall restore all affected portions of the GP Property to no less than its condition and appearance immediately prior to Construction Work.

2. GCWSA shall perform the Construction Work in a good, substantial and workmanlike manner at GCWSA's sole cost and expense.

3. GCWSA's right of entry to the Temporary Construction Easement Area shall be limited to those acts reasonably necessary to perform the Construction Work within such area, and access shall be limited, to the extent practicable, to public rights-of-way or existing roads located on or adjacent to the GP Property.

4. In its use and enjoyment of the Temporary Construction Easement and the Pipeline Easement, GCWSA agrees to minimize any interruption of or interference with GP's use and enjoyment of GP Property. In no event shall GCWSA restrict any point of access to the GP Property to GP, or any of its agents, employees, or invitees.

5. GP does not hereby convey to GCWSA any title in or to GP's Property, but merely grants the rights and privileges set forth in the Easement.

6. Nothing herein shall prevent GP from transferring or encumbering any interest in the GP Property or any portion thereof.

7. GP makes no representations or warranties as to the suitability of the Pipeline Easement Area and Temporary Construction Easement Area for the purposes set forth herein.

8. GCWSA shall not permit any lien to be filed against the GP Property or any improvements thereon for any labor or materials in connection with work of any character performed or claimed to have been performed on the GP Property at the direction or sufferance of GCWSA, or its agents, contractors, consultants and employees. GCWSA hereby agrees to indemnify, defend and hold GP harmless from and against any claims or demands for payment, or any liens or lien claims made against GP or the GP Property as a result of work performed by or on behalf of GCWSA. The provisions of this **paragraph 8** shall survive the termination or expiration of this Easement.

EXHIBIT E
FORM OF TERMINATION AND SERVICES AGREEMENT

THIS TERMINATION AND SERVICES AGREEMENT (this "**Agreement**") is dated as of May ____, 2016 (the "**Effective Date**"), between **GREENSVILLE COUNTY WATER AND SEWER AUTHORITY**, a body politic and corporation duly organized and existing under the Constitution and laws of the Commonwealth of Virginia ("**GCWSA**"); and **GEORGIA-PACIFIC WOOD PRODUCTS LLC**, a Delaware limited liability company (as successor in interest to Georgia-Pacific Corporation, "**GP**").

WITNESSETH:

WHEREAS, GCWSA and GP entered into that certain Greenville County Water & Sewer Authority Contract with Georgia-Pacific Corporation Re: Nottoway River Water Withdrawal dated as of June 27, 1997 (collectively, with any other agreements, known or unknown, assigning, amending, modifying or otherwise supplementing the foregoing, the "**Agreements**");

WHEREAS, pursuant to the Agreements, GP takes certain actions to provide raw water to GCWSA from the Nottoway River using facilities and infrastructure located on certain real property owned by GP (the "**Premises**"), for a term expiring on January 1, 2097 (the "**Expiration Date**");

WHEREAS, GP has requested that GCWSA agree to accelerate the Expiration Date of and otherwise terminate all obligations and indemnities in the Agreements;

WHEREAS, GCWSA and GP have agreed upon the terms and conditions pursuant to which the Expiration Date of the Agreements shall be accelerated and all obligations and indemnities contained therein shall otherwise be terminated; and

WHEREAS, GCWSA has agreed to provide raw water to GP or any successor to the Premises for industrial, commercial or similar purposes in such amounts and at such price provided herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, notwithstanding anything to the contrary contained in the Agreements, it is hereby agreed as follows:

1. **Agreement Regarding Expiration**. Notwithstanding anything to the contrary set forth in the Agreements, the term of the Agreements shall terminate and expire effective as of Effective Date. All sums payable by either party under the Agreements are hereby deemed paid and apportioned through and including the Effective Date.
2. **Release of Obligations**. Notwithstanding anything to the contrary contained in the Agreements: (a) GP shall have no remaining duties or obligations of any kind or nature

whatsoever Agreements; and (b) GCWSA hereby fully and completely releases and discharges GP from any such duty or obligation described in the foregoing clause (a).

3. **Release.** GCWSA, on behalf of itself and on behalf of any other person or entity claiming though or under GCWSA, releases and forever discharges GP, and GP's directors, officers, employees, shareholders, agents, assigns, successors, and all others who may have acted or been claimed to have acted in concert with GP, who may be liable or who might be claimed to be liable (collectively the "**Released Parties**") from any and all claims, complaints, liabilities, obligations, agreements, damages, demands, actions or suits of any kind or nature whatsoever which GCWSA may have had, now has, or may have against GP arising out of any act or omission of or indemnification by GP under the Agreements or in any way connected with any and all transactions, occurrences, or other matters relating to the Agreements, or GP's obligation to provide raw water under the Agreements. Any and all indemnifications provided by GP or the Released Parties are hereby null and void and of no further force and effect. All of the foregoing matters described in this Section 3 are hereby referred to as the "**Released Matters**". To the extent permitted by applicable law, GCWSA hereby agrees to indemnify and hold harmless GP and the Released Parties from and against any and all Losses/Claims, which GCWSA, a Governmental Body or any other person or entity might have asserted or alleged or might hereafter assert or allege against GP or any of the Released Parties at any time by reason of, or arising out of the Released Matters. As used herein, (a) "**Losses/Claims**" shall mean any and all claims, demands, administrative orders, causes of action (including causes of action in tort), remedial actions, losses, damages, liabilities, judgments, settlements, penalties, fines, costs and expenses (including attorneys' fees and court costs actually incurred) of any and every kind or character, known or unknown, whether based upon negligence, strict liability or otherwise; and (b) "**Governmental Body**" means any (i) nation, state, county, city, town, village, district, territory, or other jurisdiction of any nature; (ii) federal, state, local, municipal, foreign, or other government; (iii) governmental authority of any nature (including, without limitation, any governmental agency, branch, department, official, or entity and any court or other tribunal); or (iv) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature.
4. **Memorandum of Termination and Surrender Agreement.** Concurrently with the execution and delivery of this Agreement, GCWSA and GP shall execute a Memorandum of Termination Agreement in the form of the attached hereto as Exhibit "A" (the "**Memorandum**") and cause the same to be filed for record in the real property records of Greensville County, Virginia.
5. **Agreement to Provide in Future.** GCWSA covenants for itself or any successor responsible or contracted to provide raw or potable water to GP, or any successor owner of the Premises, to provide up to 300,000 gallons of raw water to GP per day, or any successor owner of the Premises, at the lowest price per gallon at which GCWSA (or its successor) provides water to any other industrial or commercial user. In the event GCWSA (or its successor) does not provide raw water to any other industrial or

commercial user, GCWSA (or its successor) shall provide raw water, subject to the foregoing quantity limit, at its actual cost.

6. **General Provisions.**

- a. **Headings.** The use of headings, captions and numbers in this Agreement is solely for the convenience of identifying and indexing the various provisions in this Agreement and shall in no event be considered otherwise in construing or interpreting any provision in this Agreement.
- b. **Defined Terms.** Capitalized terms used in this Agreement shall have the meanings ascribed to them at the point where first defined, irrespective of where their use occurs, with the same effect as if the definitions of such terms were set forth in full and at length every time such terms are used.
- c. **Pronouns.** Wherever appropriate in this Agreement, personal pronouns shall be deemed to include the other genders and the singular to include the plural.
- d. **Applicable Law.** This Agreement shall be governed by, construed under and interpreted and enforced in accordance with the laws of the Commonwealth of Virginia.
- e. **Entire Agreement.** This Agreement contains the entire agreement of the parties with respect to the subject matter hereof, and all representations, warranties, inducements, promises or agreements, oral or otherwise, between the parties not embodied in this Agreement shall be of no force or effect.
- f. **Modifications.** This Agreement shall not be modified or amended in any respect except by a written agreement executed by the parties in the same manner as this Agreement is executed.
- g. **Authority.** Each party hereto warrants and represents that such party has full and complete authority to enter into this Agreement and each person executing this Agreement on behalf of a party warrants and represents that he has been fully authorized to execute this Agreement on behalf of such party and that such party is bound by the signature of such representative.
- h. **Counsel.** Each party hereto warrants and represents that each party has been afforded the opportunity to be represented by counsel of its choice in connection with the execution of this Agreement and has had ample opportunity to read, review, and understand the provisions of this Agreement.
- i. **No Construction Against Preparer.** No provision of this Surrender Agreement shall be construed against or interpreted to the disadvantage of any party by any court or other governmental or judicial authority by reason of such party's having or being deemed to have prepared or imposed such provision.

- j. **Counterparts; Facsimile and PDF as a Writing.** This Agreement may be executed in any number of counterparts, and it shall not be necessary that the signatures of the parties hereto be contained on any one counterpart hereof. Additionally: (a) the signature pages taken from separate individually executed counterparts of this Agreement may be combined to form multiple fully executed counterparts; and (b) electronic delivery of signature (i.e., transmission by any party of his, her or its signature on an original or any copy of this Agreement by facsimile or by electronic mail over the internet in electronic format (e.g., so-called "PDF" or "portable document format")) shall be deemed to be the delivery by such party of his, her or its original signature hereon. All executed counterparts of this Agreement shall be deemed to be originals, but all such counterparts, taken together or collectively, as the case may be, shall constitute one and the same instrument. Notwithstanding any statutory or decisional law to the contrary, notices and documents delivered by electronic delivery (i.e., transmission by facsimile or by electronic mail over the internet in electronic format (e.g., so-called "PDF" or "portable document format")) shall be deemed to be "written" and a "writing" for all purposes of this Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

GCWSA:

**GREENSVILLE COUNTY WATER AND
SEWER AUTHORITY**

By: _____

Name: _____

Its: _____

GP:

GEORGIA-PACIFIC WOOD PRODUCTS LLC

By: _____

Name: Gerald A. Shirk

Its: Vice President – Real Estate

EXHIBIT A OF EXHIBIT E
FORM OF MEMORANDUM OF TERMINATION AGREEMENT

Prepared by and upon
recording return to:
Jeremy J. Hilsman, Esq.
Georgia-Pacific LLC
133 Peachtree Street, NE
Atlanta, Georgia 30303
404-652-7476

MEMORANDUM OF TERMINATION AGREEMENT

This Memorandum of Termination Agreement (this "**Memorandum**"), is made and entered into as of the ___ day of May, 2016 ("**Effective Date**"), by and between **GREENSVILLE COUNTY WATER AND SEWER AUTHORITY**, a body politic and corporate duly organized and existing under the Constitution and laws of the Commonwealth of Virginia ("**GCWSA**"), and **GEORGIA-PACIFIC WOOD PRODUCTS LLC**, a Delaware limited liability company (collectively, "**GP**").

For and in consideration of Ten and No/100 Dollars (\$10.00) paid by GP to GCWSA, pursuant to the terms and provisions contained in the certain Termination Agreement dated as of even date herewith (the "**Agreement**") with respect to the land and property more particularly described below, together with any improvements situated thereon, situated and being in the County of Greenville, Commonwealth of Virginia (the "**Property**"):

GCWSA and GP hereby execute and enter into this Memorandum and record this Memorandum in the real property records of the County of Greenville, Commonwealth of Virginia, in order to provide constructive notice of the Agreement and GCWSA and GP's rights under the Agreement to all third parties.

1. **Defined Terms.** All capitalized terms used herein and not otherwise defined shall have the same meaning ascribed to such terms in the Agreement.
2. **Termination and Surrender.** Pursuant to the Agreement, GCWSA and GP have agreed upon the terms and conditions for termination of the Agreements as of Effective Date. GCWSA and GP agree that except as expressly provided in the Agreement, the Agreements are null and void and of no further force or effect. As used herein, "**Agreements**" shall mean that certain Greenville County Water & Sewer Authority Contract with Georgia-Pacific Corporation Re: Nottoway

River Water Withdrawal dated as of June 27, 1997, and recorded in Volume 229, Page 40 of the Greensville County, Virginia real property records and any additional agreements amending, assigning, modifying or otherwise supplementing the foregoing agreement.

3. **Additional Terms and Conditions**. This Memorandum shall be subject to all other terms and conditions of the Agreement and the exhibits thereto, all as more fully described therein.

[Remainder of page intentionally left blank]

WITNESS my signature on this ____ day of May, 2016.

GCWSA:

**GREENSVILLE COUNTY
WATER & SEWER
AUTHORITY**

_____ (SEAL)

STATE OF _____

COUNTY OF _____

I, _____, a notary public for the county aforesaid, in the State of _____, do hereby certify that _____ whose name, as _____, is signed to the writing above bearing date on the ____ day of May, 2016, has acknowledged the same before me in my county aforesaid.

Given under my hand this _____ day of May, 2016.

_____, Notary Public

(NOTARIAL SEAL)

WITNESS my signature on this ____ day of May, 2016.

GP:

**GEORGIA-PACIFIC WOOD
PRODUCTS LLC**

_____(SEAL)
Gerald A. Shirk
Vice President – Real Estate

STATE OF GEORGIA

COUNTY OF _____

I, _____, a notary public for the county aforesaid, in the State of Georgia, do hereby certify that Gerald A. Shirk whose name, as Vice President – Real Estate of Georgia-Pacific Wood Products LLC, is signed to the writing above bearing date on the ____ day of May, 2016, has acknowledged the same before me in my county aforesaid.

Given under my hand this _____ day of May, 2016.

(NOTARIAL SEAL)

_____, Notary Public

EXHIBIT F
FORM OF MEMORANDUM OF TERMINATION AGREEMENT

Prepared by and upon
recording return to:
Jeremy J. Hilsman, Esq.
Georgia-Pacific LLC
133 Peachtree Street, NE
Atlanta, Georgia 30303
404-652-7476

MEMORANDUM OF TERMINATION AGREEMENT

This Memorandum of Termination Agreement (this "**Memorandum**"), is made and entered into as of the ___ day of May, 2016 ("**Effective Date**"), by and between **GREENSVILLE COUNTY WATER AND SEWER AUTHORITY**, a body politic and corporate duly organized and existing under the Constitution and laws of the Commonwealth of Virginia ("**GCWSA**"), and **GEORGIA-PACIFIC WOOD PRODUCTS LLC**, a Delaware limited liability company (collectively, "**GP**").

For and in consideration of Ten and No/100 Dollars (\$10.00) paid by GP to GCWSA, pursuant to the terms and provisions contained in the certain Termination Agreement dated as of even date herewith (the "**Agreement**") with respect to the land and property more particularly described below, together with any improvements situated thereon, situated and being in the County of Greenville, Commonwealth of Virginia (the "**Property**");

GCWSA and GP hereby execute and enter into this Memorandum and record this Memorandum in the real property records of the County of Greenville, Commonwealth of Virginia, in order to provide constructive notice of the Agreement and GCWSA and GP's rights under the Agreement to all third parties.

1. **Defined Terms.** All capitalized terms used herein and not otherwise defined shall have the same meaning ascribed to such terms in the Agreement.
2. **Termination and Surrender.** Pursuant to the Agreement, GCWSA and GP have agreed upon the terms and conditions for termination of the Agreements as of Effective Date. GCWSA and GP agree that except as expressly provided in the Agreement, the Agreements are null and void and of no further force and effect. As used herein, "**Agreements**" shall mean that certain Greenville County Water & Sewer Authority Contract with Georgia-Pacific Corporation Re: Nottoway

River Water Withdrawal dated as of June 27, 1997, and recorded in Volume 229, Page 40 of the Greensville County, Virginia real property records and any additional agreements amending, assigning, modifying or otherwise supplementing the foregoing agreement.

3. **Additional Terms and Conditions.** This Memorandum shall be subject to all other terms and conditions of the Agreement and the exhibits thereto, all as more fully described therein.

[Remainder of page intentionally left blank]

WITNESS my signature on this ____ day of May, 2016.

GCWSA:

**GREENSVILLE COUNTY
WATER & SEWER
AUTHORITY**

_____ (SEAL)

STATE OF _____

COUNTY OF _____

I, _____, a notary public for the county aforesaid, in the State of _____, do hereby certify that _____ whose name, as _____, is signed to the writing above bearing date on the ____ day of May, 2016, has acknowledged the same before me in my county aforesaid.

Given under my hand this _____ day of May, 2016.

_____, Notary Public

(NOTARIAL SEAL)

WITNESS my signature on this ____ day of May, 2016.

GP:

**GEORGIA-PACIFIC WOOD
PRODUCTS LLC**

_____(SEAL)
Gerald A. Shirk
Vice President – Real Estate

STATE OF GEORGIA

COUNTY OF _____

I, _____, a notary public for the county aforesaid, in the State of _____, do hereby certify that Gerald A. Shirk whose name, as Vice President – Real Estate of Georgia-Pacific Wood Products LLC, is signed to the writing above bearing date on the ____ day of May, 2016, has acknowledged the same before me in my county aforesaid.

Given under my hand this _____ day of May, 2016.

_____, Notary Public
(NOTARIAL SEAL)

SCHEDULE 1

Report of Asbestos Containing Material and Survey prepared by Amec Foster and Wheeler dated January 12, 2016, as project number 6121-15-0268.03



UNITED STATES DEPARTMENT OF COMMERCE
Economic Development Administration
The Curtis Center
601 Walnut Street
Suite 140S
Philadelphia, PA 19106-3323

MAY 26 2016

In reply refer to:
Investment No.: 01-01-14707

Ms. Natalie Slate
Director of Economic Development
Greensville County
1781 Greensville County Circle
Emporia, VA 23847-6347

Mr. K. David Whittington
Director
Greensville County Water & Sewer Authority
1781 Greensville County Circle
Emporia, VA 23847-6347

Dear Ms. Slate and Mr. Whittington:

I am pleased to inform you that the Department of Commerce's Economic Development Administration (EDA) has approved your application for a \$2,600,000 investment for assistance to construct a water line extension to serve the MidAtlantic Advanced Manufacturing Center in Greensville County. The total project cost is estimated to be \$3,714,286 funded under EDA's Public Works and Economic Development Facilities program under section 201 of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. § 3121 *et seq.*).

Enclosed are three signed copies of the Financial Assistance Award. Your agreement to the terms and conditions of the award should be indicated by the signature of your principal official on each of the signed copies of the Financial Assistance Award. Two of the executed copies should be returned to Linda Cruz-Carnall, Regional Director, Philadelphia Regional Office, Economic Development Administration, The Curtis Center, Suite 140 South, 601 Walnut Street, Philadelphia, Pennsylvania, 19106-3323. If not signed and returned within 30 days of receipt, EDA may declare the Award null and void.

Please do not make any commitments in reliance on this award until you have carefully reviewed and accepted the terms and conditions. Any commitments entered into prior to obtaining the approval of EDA in accordance with its regulations and requirements will be at your own risk.

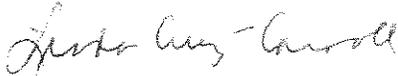
EDA's mission is to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. EDA implements this mission by making strategic investments in the nation's most economically distressed communities that encourage private sector collaboration and creation of



higher-skill, higher wage jobs. EDA investments are results driven, embracing the principles of technological innovation, entrepreneurship and regional development.

I share your expectations regarding the impact of this investment and look forward to working with you to meet the economic development needs of your community.

Sincerely,

A handwritten signature in cursive script, appearing to read "Linda Cruz-Carnall".

Linda Cruz-Carnall
Regional Director

cc: Robert E. Gittler, EDA
Crater Planning District Commission

Enclosures: Form CD-450, Financial Assistance Award (3)
EDA Standard Terms and Conditions – Construction Projects (February 2016)
EDA Special Award Conditions

GRANT COOPERATIVE AGREEMENT

FINANCIAL ASSISTANCE AWARD

AWARD PERIOD
39 months after Award Date

RECIPIENT NAME Greensville County	AWARD NUMBER 01-01-14707
STREET ADDRESS 1781 Greensville County Circle	FEDERAL SHARE OF COST \$ 2,600,000.00
CITY, STATE, ZIP CODE Emporia, VA 23847-6347	RECIPIENT SHARE OF COST \$ 1,114,286.00
RECIPIENT NAME Greensville County Water & Sewer Authority	TOTAL ESTIMATED COST \$ 3,714,286.00
STREET ADDRESS 1781 Greensville County Circle	
CITY, STATE, ZIP CODE Emporia, VA 23847-6347	

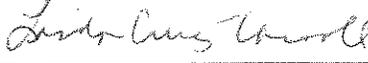
AUTHORITY
Public Works and Economic Development Act of 1965, as amended (42 U.S.C. § 3121 et seq.)

CFDA NO. AND NAME: **11-300 Investments for Public Works & Economic Development Facilities**

PROJECT TITLE: **Otterdam & Allen Road Water Line Construction**

This Award Document (Form CD-450) signed by the Grants Officer constitutes an obligation of Federal funding. By signing this Form CD-450, the Recipient agrees to comply with the Award provisions checked below and attached. Upon acceptance by the Recipient, the Form CD-450 must be signed by an authorized representative of the Recipient and returned to the Grants Officer. If not signed and returned without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally withdraw this Award offer and de-obligate the funds.

- DEPARTMENT OF COMMERCE FINANCIAL ASSISTANCE STANDARD TERMS AND CONDITIONS (Feb. 2016)
- R & D AWARD
- FEDERAL-WIDE RESEARCH TERMS AND CONDITIONS, AS ADOPTED BY THE DEPT. OF COMMERCE
- SPECIAL AWARD CONDITIONS
- LINE ITEM BUDGET
- 2 CFR PART 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES AND AUDIT REQUIREMENTS AS ADOPTED PURSUANT TO 2 CFR § 1327.101
- 48 CFR PART 31, CONTRACT COST PRINCIPLES AND PROCEDURES
- MULTI-YEAR AWARD: PLEASE SEE THE MULTI-YEAR SPECIAL AWARD CONDITION.
- Other(s): EDA Standard Terms and Conditions for Construction Projects (February 12, 2016)

SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER 	TITLE Regional Director	DATE May 26, 2016
PRINTED NAME AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL Natalie Slate	TITLE Director of Economic Development	DATE
PRINTED NAME AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL ... David Whittington	TITLE Director	DATE

**SUPPORT AGREEMENT
GREENSVILLE COUNTY WATER AND SEWER AUTHORITY**

This **SUPPORT AGREEMENT** is made as of August 1, 2016, between the **BOARD OF SUPERVISORS OF GREENSVILLE COUNTY, VIRGINIA** (the "Board"), acting as the governing body of Greensville County, Virginia (the "County"), **GREENSVILLE COUNTY WATER AND SEWER AUTHORITY** ("GCWSA"), and the **VIRGINIA RESOURCES AUTHORITY** ("VRA"), as purchaser of the Local Bond, as hereinafter defined, pursuant to a Financing Agreement, as hereinafter defined.

RECITALS

WHEREAS, GCWSA was created by the Board pursuant to the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Code of Virginia of 1950, as amended) and owns and operates the water and wastewater systems in the County (as more particularly defined in the Financing Agreement, the "System"); and

WHEREAS, GCWSA has determined that it is in its best interest to issue and sell its _____ Bond, Series 2016, in the original principal amount of \$ _____ (the "Local Bond") to VRA pursuant to the terms of a Local Bond Sale and Financing Agreement dated as of June 17, 2016 (the "Financing Agreement"), between GCWSA and VRA to finance (a) _____, (b) a debt service reserve fund and (c) issuance costs in connection with such financing (collectively, the "Project"); and

WHEREAS, the Board adopted on _____, 2016, a resolution authorizing, among other things, the execution of an agreement providing for a non-binding obligation of the Board to consider certain appropriations in support of the Local Bond and the Project; and

AGREEMENT

NOW, THEREFORE, for and in consideration of the issuance of the Local Bond by the GCWSA, the purchase of the Local Bond by VRA and of the mutual covenants herein set forth, the parties hereto agree as follows:

1. Unless otherwise defined, each capitalized term used in this Agreement (this "Agreement") shall have the meaning given it in the Financing Agreement.
2. GCWSA shall use its best efforts to issue the Local Bond and to use the proceeds thereof to finance the costs of the Project.
3. No later than May 15 of each year, beginning May 15, 2017, GCWSA shall notify the Board of the amount (the "Annual Deficiency Amount") by which GCWSA reasonably expects the Revenues to be insufficient to pay (i) the debt service obligations under the Financing Agreement and the Local Bond, (ii) the Operation and Maintenance Expenses, and (iii) any other payments due and owing by GCWSA under the Financing Agreement (the "Additional Payments") in full as and when due during the County's fiscal year beginning the following July 1.

4. The County Administrator of the County (the "County Administrator") shall include the Annual Deficiency Amount in his budget submitted to the Board for the following fiscal year as an amount to be appropriated to or on behalf of GCWSA. The County Administrator shall deliver to VRA within 10 days after the adoption of the County's budget for each fiscal year, but not later than July 15 of each year, a certificate stating whether the Board has appropriated to or on behalf of GCWSA an amount equal to the Annual Deficiency Amount.

5. If at any time Revenues shall be insufficient to make any of the payments referred to in paragraph 3 hereof, GCWSA shall notify the County Administrator and VRA of the amount of such insufficiency and the County Administrator shall request a supplemental appropriation from the Board in the amount necessary to make such payment.

6. The County Administrator shall present each request for appropriation pursuant to paragraph 5 above to the Board, and the Board shall consider such request at the Board's next regularly scheduled meeting at which it is possible to satisfy any applicable notification requirement. Promptly after such meeting, the County Administrator shall notify VRA as to whether the amount so requested was appropriated. If the Board shall fail to make any such appropriation, the County Administrator shall add the amount of such requested appropriation to the Annual Deficiency Amount reported to the County by the County Administrator for the County's next fiscal year.

7. The Board hereby undertakes a non-binding obligation to appropriate such amounts as may be requested from time to time pursuant to paragraphs 4 and 5 above, to the fullest degree and in such manner as is consistent with the Constitution and laws of the Commonwealth of Virginia. The Board, while recognizing that it is not empowered to make any binding commitment to make such appropriations in future fiscal years, hereby states its intent to make such appropriations in future fiscal years, and hereby recommends that future Boards of Supervisors do likewise.

8. The Board and GCWSA acknowledge that (i) the Local Bond may be payable from and will be secured by amounts derived pursuant to this Agreement, (ii) VRA would not purchase the Local Bond without the security and credit enhancement provided by this Agreement, and (iii) VRA is treating this Agreement as a "local obligation" within the meaning of Section 62.1-199 of the Code of Virginia of 1950, as amended (the "Virginia Code"), which in the event of a nonpayment hereunder authorizes VRA or the Trustee to file an affidavit with the Governor that such nonpayment has occurred pursuant to Section 62.1-216.1 of the Virginia Code. In purchasing the Local Bond, VRA is further relying on Section 62.1-216.1 of the Virginia Code, which provides that if the Governor is satisfied that the nonpayment has occurred, the Governor will immediately make an order directing the Comptroller to withhold all further payment to the County of all funds, or of any part of them, appropriated and payable by the Commonwealth of Virginia to the County for any and all purposes, and the Governor will, while the nonpayment continues, direct in writing the payment of all sums withheld by the Comptroller, or as much of them as is necessary, to VRA, so as to cure, or cure insofar as possible, such nonpayment.

9. Nothing herein contained is or shall be deemed to be a lending of the credit of the County to GCWSA, VRA or to any holder of the Local Bond or to any other person, and nothing

herein contained is or shall be deemed to be a pledge of the faith and credit or the taxing power of the County, nor shall anything herein contained legally bind or obligate the Board to appropriate funds for the purposes described herein.

10. Any notices or requests required to be given hereunder shall be deemed given if sent by registered or certified mail, postage prepaid, addressed (i) if to the County, to 1781 Greenville County Circle, Emporia, Virginia 23847, Attention: County Administrator, (ii) if to GCWSA, to 1781 Greenville County Circle, Emporia, Virginia 23847, Attention: Executive Director, and (iii) if to VRA, to 1111 East Main Street, Suite 1920, Richmond, Virginia 23219, Attention: Executive Director. Any party may designate any other address for notices or requests by giving notice.

11. It is the intent of the parties hereto that this Agreement shall be governed by the laws of the Commonwealth of Virginia.

12. This Agreement shall remain in full force and effect until the Local Bond and all other amounts payable by GCWSA under the Financing Agreement have been paid in full.

13. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed in their respective names as of the date first above written.

**BOARD OF SUPERVISORS OF
GREENSVILLE COUNTY, VIRGINIA**

By: _____
Chairman

**GREENSVILLE COUNTY WATER AND
SEWER AUTHORITY**

By: _____

Title: _____

VIRGINIA RESOURCES AUTHORITY

By: _____
Stephanie L. Hamlett, Executive Director

RESOLUTION WS-16-44

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND AWARD OF A WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2016A, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,400,000 OF GREENSVILLE COUNTY WATER AND SEWER AUTHORITY AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

WHEREAS, the Greenville County Water and Sewer Authority (the “Authority”) is a public body politic and corporate of the Commonwealth of Virginia duly created pursuant to the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Code of Virginia of 1950, as amended) (the “Act”) by the Board of Supervisors of Greenville County, Virginia (the “County”), and presently owns, operates and maintains water and sewer facilities to provide for the water and sewer needs of the residents and businesses of the County; and

WHEREAS, the Board of the Authority (the “Authority Board”) desires to finance the acquisition of land for the construction of a raw water reservoir, new intake and pump station on the Nottoway River (the “Project”); and

WHEREAS, it is in the best interests of the Authority and the residents of its service areas to issue its water and sewer system revenue bond (the “2016A Bond”) to be secured by a pledge of the revenues of the Authority’s water and sewer system (the “System”) in a maximum principal amount not to exceed \$2,400,000 to finance (a) all or a portion of the Project and (b) the costs of issuing the 2016A Bond including the funding of any capitalized interest and required reserves; and

WHEREAS, subject to final credit approval, the Virginia Resources Authority (“VRA”) has indicated its willingness to purchase the 2016A Bond from the proceeds of its Infrastructure and State Moral Obligation Revenue Bonds (Virginia Pooled Financing Program), Series 2016B (the “VRA Bonds”) and to provide a portion of the proceeds thereof to the Authority to finance all or a portion of the Project, fund any capitalized interest and required reserves in connection with the 2016A Bond and pay certain costs of issuance of the 2016A Bond, in accordance with the terms of a Local Bond Sale and Financing Agreement to be dated a date specified by VRA, between VRA and the Authority (the “Financing Agreement”), the form of which has been presented to this meeting; and

WHEREAS, the Authority has indicated that the amount of proceeds being requested from VRA for the Project and other costs is \$2,035,000 (the “Proceeds Requested”) plus amounts necessary to pay any capitalized interest and required reserves and the costs of issuance, or such other amount requested by the Authority in writing and approved by VRA prior to the pricing of the VRA Bonds, provided such sum does not exceed the maximum principal amount of the 2016A Bond authorized pursuant to this Resolution; and

WHEREAS, VRA has advised the Authority that VRA’s objective is to pay the Authority as the purchase price for the 2016A Bond an amount which, in VRA’s judgment,

reflects the market value of the 2016A Bond (the "Purchase Price Objective"), taking into consideration such factors as the maximum authorized par amount of the 2016A Bond, the Proceeds Requested, the purchase price to be received by VRA for the VRA Bonds, the issuance costs of the VRA Bonds (consisting of the underwriters' discount and other costs incurred by VRA (collectively, the "VRA Costs")) and other market conditions relating to the sale of the VRA Bonds; and

WHEREAS, such factors may result in the Authority receiving an amount other than the Proceeds Requested and consequently (i) the principal amount of the 2016A Bond may be greater than the Proceeds Requested in order to receive an amount of proceeds that is substantially equal to the Proceeds Requested, or (ii) if the maximum authorized aggregate amount of the 2016A Bond set forth in paragraph 3 of this Resolution does not exceed the Proceeds Requested by at least the amount of the VRA Costs and any original issue discount, the amount to be paid to the Authority, given the VRA Purchase Price Objective and market conditions, will be less than the Proceeds Requested; and

WHEREAS, the Authority Board has requested the County to facilitate the issuance and sale of the 2016A Bond by entering into a Support Agreement to be dated a date specified by VRA, among the Authority, the County and VRA (the "Support Agreement"), the form of which has been presented to this meeting; and

NOW, THEREFORE, BE IT RESOLVED BY THE GREENSVILLE COUNTY WATER AND SEWER AUTHORITY:

1. Authorization of Bond and Use of Proceeds. Pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Act, the Authority Board authorizes the issuance and sale to VRA of the 2016A Bond of the Authority to finance all or a portion of the Project, fund any capitalized interest, as and to the extent the Director of the Authority (the "Director") deems advisable, and required reserves in connection with the 2016A Bond and pay issuance and financing costs incurred in issuing the 2016A Bond. The 2016A Bond shall be delivered to or upon the order of VRA upon VRA's payment of the purchase price therefor.

2. Authorization of Financing Agreement and Support Agreement. The forms of the Financing Agreement and the Support Agreement submitted to this meeting are approved. The Chairman, Vice Chairman and Director of the Authority, any of whom may act, are authorized to execute the Financing Agreement and the Support Agreement in substantially such forms, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the Chairman, Vice Chairman and/or Director, whose approval shall be evidenced conclusively by the execution and delivery thereof. The issuance and sale of the Authority's 2016A Bond to VRA shall be upon the terms and conditions of the Financing Agreement and any related tax documents. The proceeds of the 2016A Bond shall be applied in the manner set forth in the Financing Agreement. All capitalized terms used but not otherwise defined herein shall have the same meaning as set forth in the Financing Agreement.

3. Bond Details. The 2016A Bond shall be issued as a single, registered bond and shall be designated "Water and Sewer System Revenue Bond, Series 2016A", shall be numbered

R-1, shall be in a principal amount not to exceed \$2,400,000 and shall mature no later than December 31, 2046. The Authority authorizes the issuance and sale of the 2016A Bond at a "true" interest cost not to exceed 5.5% whether issued on a taxable or "tax advantaged" basis (exclusive of "Supplemental Interest" as provided in the Financing Agreement). Given the VRA Purchase Price Objective and market conditions, it may become necessary to issue the 2016A Bond in an aggregate amount greater than the Proceeds Requested. If the limitation on the maximum aggregate principal amount of the 2016A Bond set forth in this paragraph 3 restricts VRA's ability to generate the Proceeds Requested, taking into account the VRA Costs, the VRA Purchase Price Objective and market conditions, the purchase price of the 2016A Bond will result in an amount less than the Proceeds Requested. Subject to the foregoing limitations, the Authority authorizes VRA to establish the final principal amount of the 2016A Bond, the final interest rate or rates on the 2016A Bond, and the final maturity date and the final principal amortization schedule (including principal installment dates and amounts) for the 2016A Bond. No further action or approval of such financing terms shall be necessary on the part of the Authority. The principal of and premium, if any, and interest on the 2016A Bond shall be payable on the dates and in the amounts set forth in the 2016A Bond and the Financing Agreement. The Authority may, at its option, redeem, prepay or refund the 2016A Bond upon the terms set forth in the Financing Agreement. Interest on the 2016A Bond shall be computed on the basis described in the Financing Agreement and the form of the 2016A Bond.

As set forth in the Financing Agreement, the Authority agrees to pay such "Supplemental Interest" and other charges as provided therein, including such amounts as may be necessary to maintain or replenish the VRA Reserve. The principal of and premium, if any, and interest on the 2016A Bond shall be payable in lawful money of the United States of America.

4. Execution and Form of 2016A Bond. The 2016A Bond shall be executed by the Chairman or Vice Chairman of the Authority and attested by the Director or Secretary-Treasurer of the Authority and its seal shall be affixed thereon. The 2016A Bond shall be in substantially the form of Exhibit A attached hereto, with such completions, omissions, insertions, and changes not inconsistent with this Resolution as may be approved by the officers signing the 2016A Bond, whose approval shall be evidenced conclusively by the execution and delivery of the 2016A Bond to VRA as the purchaser thereof upon receipt of the purchase price from VRA as set forth in the Financing Agreement.

5. Pledge of Revenues. Principal of and premium, if any, and interest on the 2016A Bond shall be payable solely from the Net Revenues Available for Debt Service and other sources which are pledged therefore herein and in the Financing Agreement, including amounts held from time to time in the Local Debt Service Reserve Fund (as defined in paragraph 6 below), and nothing in the Financing Agreement, the 2016A Bond or in this Resolution shall be deemed to create or constitute a pledge of faith and credit of the Commonwealth of Virginia or of any county, city, town or other political subdivision of the Commonwealth, including the Authority and the County. The Authority has no taxing power. It is intended that such pledge shall be on a parity with the similar pledge securing the Authority's outstanding water and sewer system revenue bonds, including its \$235,629 Water and Sewer System Revenue Bond, Series 2003, \$515,000 Water and Sewer System Revenue Bond, Series of 2004 (as and if required), \$4,435,000 Water and Sewer System Revenue Refunding Bond, Series 2010, \$1,640,000 Water

and Sewer System Revenue Bond, Series of 2011, \$2,105,000 Water and Sewer System Revenue Refunding Bond, Series 2013 and \$2,540,000 Water and Sewer System Revenue Refunding Bond, Series 2014 (collectively, the “Existing Parity Bonds”).

It is hereby covenanted and agreed with the holder of the 2016A Bond that so long as the 2016A Bond is outstanding and unpaid, the Authority shall fix and collect rates, fees and other charges for the use of and for services furnished or to be furnished by its System, and will from time to time revise such rates, fees and other charges so that in each Fiscal Year the Net Revenues Available for Debt Service will equal at least 115% of the amount required during the Fiscal Year to pay the principal of and interest on the 2016A Bond and all other Parity Bonds.

If, for any reason, the Net Revenues Available for Debt Service are insufficient to satisfy the foregoing covenant, the Authority shall within 90 days adjust and increase its rates, fees and other charges or reduce Operation and Maintenance Expenses, so as to provide sufficient Net Revenues Available for Debt Service to satisfy such requirement.

6. Local Debt Service Reserve Fund. To the extent required by VRA, the 2016A Bond shall be secured by a local debt service reserve fund established pursuant to the terms of the Financing Agreement (the “Local Debt Service Reserve Fund”). Such Local Debt Service Reserve Fund shall be held by the Trustee for the benefit of VRA for as long as the 2016A Bond is outstanding. The amount held in such Local Debt Service Reserve Fund shall be equal to the maximum annual principal and interest payment on the 2016A Bond as of the Closing Date as set forth in the Financing Agreement.

7. Preparation of Printed 2016A Bond. The Authority shall initially issue the 2016A Bond in typewritten form. Upon request of the registered owner and upon presentation of the 2016A Bond at the office of the Registrar (as hereinafter defined), the Authority shall arrange to have prepared, executed and delivered in exchange as soon as practicable the 2016A Bond in printed form in an aggregate principal amount equal to the unpaid principal of the 2016A Bond in typewritten form, in denominations of \$5,000 and multiples thereof, of the same form and maturity and registered in such names as requested by the registered owners or their duly authorized attorneys or legal representatives. The printed 2016A Bond may be executed by manual or facsimile signature of the Chairman or Vice Chairman of the Authority and attested by the manual or facsimile signature of the Director or Secretary-Treasurer of the Authority and a facsimile of its seal printed thereon; provided, however, that if both such signatures are facsimiles, no 2016A Bond shall be valid until it has been authenticated by the manual signature of the Registrar and the date of authentication noted thereon. The typewritten 2016A Bond surrendered in any such exchange shall be canceled.

8. Registration and Transfer of 2016A Bond. The Authority appoints its Secretary-Treasurer as paying agent and registrar (the “Registrar”) for the 2016A Bond. If deemed to be in its best interest, the Authority may at any time appoint a qualified bank or trust company as successor Registrar. Upon surrender of the 2016A Bond at the office of the Registrar, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the Authority shall execute, and the Registrar shall authenticate and deliver in exchange, a new

2016A Bond or 2016A Bonds having an equal aggregate principal amount, of the same form and maturity, bearing interest at the same rates and registered in such name as requested by the then registered owner or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Authority, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Registrar shall treat the registered owner of the 2016A Bond as the person or entity exclusively entitled to payment of principal thereof, and premium, if any, and interest thereon, and the exercise of all other rights and powers of the owner, except that payments shall be paid to the person or entity shown as owner on the registration books on the 15th day of the month preceding each such payment date.

9. Mutilated, Lost or Destroyed Bond. If the 2016A Bond has been mutilated, lost or destroyed, the Authority shall execute and deliver a new 2016A Bond of like date and tenor in exchange and substitution for, and upon cancellation of, such mutilated 2016A Bond or in lieu of and in substitution for such lost or destroyed 2016A Bond; provided, however, that the Authority shall so execute and deliver only if the registered owner has paid the reasonable expenses and charges of the Authority in connection therewith and, in the case of a lost or destroyed 2016A Bond, (a) has filed with the Authority evidence satisfactory to the Authority that such 2016A Bond was lost or destroyed, and (b) has furnished to the Authority satisfactory indemnity.

10. Tax Compliance Agreement. To the extent applicable if the 2016A Bond is issued on a "tax advantaged" basis, such officers of the Authority as may be requested are authorized and directed to execute and deliver a nonarbitrage certificate and tax compliance agreement or any related document in a form not inconsistent with this Resolution as may be approved by the officers of the Authority executing such document, whose approval shall be evidenced conclusively by the execution and delivery thereof, setting forth the expected use and investment of the proceeds of the 2016A Bond and containing such covenants as may be necessary in order for the VRA Bonds to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Tax Code"), including the provisions of Section 148 of the Tax Code and applicable regulations relating to "arbitrage bonds."

11. Official Statement. The Authority Board authorizes and consents to the inclusion of information with respect to the Authority contained in VRA's Preliminary Official Statement and VRA's Official Statement in final form, both prepared in connection with the sale of the VRA Bonds.

12. SNAP Investment Authorization. The Authority Board has determined to authorize the Secretary-Treasurer of the Authority, if and as necessary if the 2016A Bond is issued on a "tax advantaged" basis, to utilize the State Non-Arbitrage Program of the Commonwealth of Virginia ("SNAP") in connection with the investment of the proceeds of the 2016A Bond.

13. Other Actions. All other actions of officers of the Authority in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the 2016A Bond are ratified, approved and confirmed. The officers of the Authority are authorized

and directed to execute and deliver all certificates and other instruments considered necessary or desirable in connection with the issuance, sale and delivery of the 2016A Bond pursuant to this Resolution, the Financing Agreement and the Support Agreement. The Director is authorized to include capitalized interest for all or any portion of the Project consistent with the Act.

14. Limitation of Liability of Officials of the Authority. No covenant, condition, agreement or obligation contained herein shall be deemed to be a covenant, condition, agreement or obligation of any officer, employee or agent of the Authority in his or her individual capacity. No officer of the Authority executing the 2016A Bond shall be liable personally on the 2016A Bond or be subject to any personal liability or accountability by reason of the issuance thereof. No officer, employee or agent of the Authority shall incur any personal liability with respect to any other action taken by him or her pursuant to this Resolution, provided he or she acts in good faith.

15. Selection of Bond Counsel. The Authority hereby appoints the law firm of Christian & Barton, L.L.P., Richmond, Virginia, as bond counsel to supervise the proceedings and approve the issuance of the 2016A Bond.

16. Official Intent. In adopting this Resolution authorizing the issuance of the 2016A Bond, the Authority declares and reaffirms its prior official intent declarations to issue the 2016A Bond and provide moneys to reimburse the Authority for expenditures with respect to the Project, as contemplated by Treasury Regulations 1.150-2 promulgated pursuant to the Tax Code.

17. Effective Date. This Resolution shall become effective immediately. The Director of the Authority is hereby authorized and directed to file a certified copy of this Resolution in the office of the Authority and with the Clerk of the Circuit Court of Greensville County, Virginia.

CERTIFICATION

The undersigned Secretary-Treasurer of the Greenville County Water and Sewer Authority hereby certifies that the foregoing constitutes a true, correct and complete copy of a Resolution adopted by the Greenville County Water and Sewer Authority at a meeting duly called and held on June 6, 2016, with the members present and absent and voting on the Resolution as set forth below, that such meeting was duly convened and held in all respects in accordance with law, and that the foregoing Resolution has not been repealed, revoked, rescinded or amended.

<u>Member</u>	<u>Present/Absent</u>	<u>Vote</u>
Michael W. Ferguson		
Peggy R. Wiley		
James C. Vaughan		
Margaret T. Lee		

WITNESS, my hand and the seal of the Greenville County Water and Sewer Authority, this ____ day of _____, 2016.

**GREENSVILLE COUNTY WATER AND
SEWER AUTHORITY**

By: _____
Secretary-Treasurer

REGISTERED

R-1

_____, 2016

UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA
GREENSVILLE COUNTY WATER AND SEWER AUTHORITY
WATER AND SEWER SYSTEM REVENUE BOND
SERIES 2016A

The **Greensville County Water and Sewer Authority** (the "Authority"), a political subdivision of the Commonwealth of Virginia, for value received, acknowledges itself indebted and promises to pay to **Virginia Resources Authority** ("VRA"), or registered assigns or legal representative, under a Master Indenture of Trust dated as of December 1, 2003, as supplemented and amended and as further supplemented by a _____ Supplemental Series Indenture of Trust dated as of _____, 2016, between VRA and **U.S. Bank National Association**, as trustee (the "Trustee"), solely from the sources hereinafter described and pledged to the payment of this bond the principal sum of _____ and 00/100 Dollars (\$____). Principal of this bond shall be payable in annual installments in the amounts and on the dates set forth in Schedule I attached hereto. Interest on this bond shall be payable on each April 1 and October 1, commencing _____ 1, 20__, computed on the basis of a 360-day year of twelve 30-day months at the rates set forth in Schedule I.

Subject to the provisions of the Local Bond Sale and Financing Agreement dated as of June 17, 2016 (the "Financing Agreement"), between VRA and the Authority, so long as this bond is held by VRA or the Trustee, interest is payable by check or draft mailed to the registered owner of this bond at the address that appears on the 15th day of the month preceding each interest payment date on the registration books kept by the Secretary-Treasurer of the Authority, who has been appointed registrar and paying agent, or any successor bank or trust company (the "Registrar"). Principal of and premium, if any, and interest on this bond shall be payable in lawful money of the United States of America. In case the maturity date of the principal of this bond or the date fixed for the payment of interest on or the redemption of this bond shall not be a Business Day (as defined below), then payment of principal, premium, if any, and interest need not be made on such date, but may be made on the next succeeding Business Day, and, if made on such next succeeding Business Day, no additional interest shall accrue for the period after such maturity date or date fixed for the payment of interest or redemption. "Business Day" means any Monday, Tuesday, Wednesday, Thursday or Friday on which commercial banking institutions generally are open for business in New York and Virginia.

This bond was authorized by a resolution adopted by the Authority's governing body on June 6, 2016 (the "Resolution"), and is issued pursuant to the Constitution and statutes of the

Commonwealth of Virginia, including the Virginia Water and Waste Authorities Act, and the Financing Agreement. Proceeds of this bond will be used to finance (a) the acquisition of land for the construction of a raw water reservoir, new intake and pump station on the Nottoway River, (b) a debt service reserve fund, and (c) issuance costs in connection with such financing.

This bond is a limited obligation of the Authority and is payable solely from the Revenues (as defined in the Financing Agreement) to be derived from the ownership and operation of the System, including, but not limited to, amounts appropriated by the Board of Supervisors of Greensville County, Virginia (the "County") pursuant to a Support Agreement dated as of _____ 1, 20__ , among the Authority, VRA and the County, all as described in the Resolution, which Revenues and other moneys have been pledged pursuant to the Financing Agreement and the Resolution to secure the payment hereof. The lien of the Revenues securing this bond is on a parity with the lien of such Revenues securing the Authority's outstanding water and sewer system revenue bonds, including its \$235,629 Water and Sewer System Revenue Bond, Series 2003, \$4,435,000 Water and Sewer System Revenue Refunding Bond, Series 2010, \$1,640,000 Water and Sewer System Revenue Bond, Series of 2011, \$2,105,000 Water and Sewer System Revenue Refunding Bond, Series 2013, and \$2,540,000 Water and Sewer System Revenue Refunding Bond, Series 2014 (collectively, the "Existing Parity Bonds"). Additional bonds secured on a parity as to the pledge of the Revenues with this bond and the Existing Parity Bonds may be issued on terms provided in the Financing Agreement and the financing agreements relating to the Existing Parity Bonds. Nothing herein or in the Financing Agreement or the Resolution shall be deemed to create or constitute an indebtedness of or a pledge of the faith and credit of the Commonwealth of Virginia or of any county, city, town or other political subdivision of the Commonwealth, including the Authority and the County.

If any installment of principal of and interest on this bond is not paid to the registered owner of this bond within ten days after its due date, the Authority shall pay to VRA a late payment charge in an amount equal to five percent (5.0%) of the overdue installment.

If any failure of the Authority to pay all or any portion of any required payment of the principal of or premium, if any, or interest on this bond results in a withdrawal from a VRA Reserve (as defined in the Financing Agreement), the interest rates applicable to this bond shall be increased to interest rates sufficient to reimburse the VRA Reserve for any foregone investment earnings on the funds withdrawn therefrom and/or pay any interest, fees or penalties assessed as a result of the withdrawal from or drawing on the VRA Reserve. The increment of interest payable pursuant to the increase in rates shall be referred to as "Supplemental Interest." The Authority's obligation to pay Supplemental Interest shall commence on the date of VRA's withdrawal of funds from the VRA Reserve occasioned by the Authority's failure to pay a required payment or portion thereof as described above (the "Supplemental Interest Commencement Date"). The Authority's obligation to pay Supplemental Interest shall terminate on the date on which the Authority remedies such failure to pay by making all payments required but outstanding since the date of such failure to pay (the "Supplemental Interest Termination Date"). From the Supplemental Interest Commencement Date to the Supplemental Interest Termination Date, Supplemental Interest shall be due and payable on the regularly scheduled interest payment dates provided for in this bond. As soon as reasonably possible after the Supplemental Interest Commencement Date and before the next regularly scheduled interest

payment date provided for in this bond, VRA shall deliver to the Authority a certificate as to increase in interest rates and the amount of Supplemental Interest. The certificate shall set forth in reasonable detail the basis for the increase in interest rates and the manner of calculation of the increase and the amount of Supplemental Interest. Such certificate shall be conclusive (absent manifest error) as to the interest rate increase and amount of Supplemental Interest set forth therein. In determining the interest rate increase and the amount of Supplemental Interest, VRA may use any reasonable averaging and attribution methods.

This bond may not be defeased, redeemed, prepaid or refunded except upon the terms set forth in the Financing Agreement.

This bond is issuable as a fully registered bond. Upon surrender of this bond at the Registrar's office, together with an assignment duly executed by the registered owner or such owner's duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the Authority shall execute, and the Registrar shall authenticate and deliver in exchange, a new bond or bonds in the manner and subject to the limitations and conditions provided in the Resolution, having an equal aggregate principal amount, in authorized denominations, of the same series, form and maturity, bearing interest at the same rates and in the same manner, and registered in such names as requested by the then registered owner of this bond or such owners duly authorized attorney or legal representative. Any such exchange shall be at the Authority's expense, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect to it.

The Authority shall treat the registered owner of this bond as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the 15th day of the month preceding each interest payment date.

If an Event of Default (as defined in the Financing Agreement) occurs and is continuing, the principal of, premium, if any, and interest on this bond may be declared immediately due and payable by the registered owner of this bond by written notice to the Authority.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this bond have happened, exist and have been performed.

[Reminder of this page intentionally left blank]

IN WITNESS WHEREOF, the Greenville County Water and Sewer Authority has caused this bond to be signed by its Chairman, its seal to be affixed hereon and attested by its Director, and this bond to be dated the date set forth above.

**GREENSVILLE COUNTY WATER
AND SEWER AUTHORITY**

By _____
Chairman, Greenville County
Water and Sewer Authority

(SEAL)

ATTEST:

Director, Greenville County
Water and Sewer Authority

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Resolution.

Authentication Date: _____

Secretary-Treasurer, Greenville County
Water and Sewer Authority

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or type name and address, including zip code, of Transferee)

this bond and all rights hereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer said bond on the books kept for the registration, with full power of substitution.

Dated: _____

Tax I.D. No.: _____

NOTICE: Signature(s) must be guaranteed by an Eligible Guarantor such as a Commercial Bank, Trust Company, Securities Broker/Dealer, Credit Union, or Savings Association who is a member of a medallion program approved by The Securities Transfer Association, Inc.

(Signature of Registered Owner)

(NOTE: The signature above must correspond with the name of the registered owner as it appears on the front of this bond in every particular, without alteration or enlargement or any change whatsoever.

DEBT SERVICE SCHEDULE

1967252

LOCAL BOND SALE AND FINANCING AGREEMENT

between

VIRGINIA RESOURCES AUTHORITY

and

GREENSVILLE COUNTY WATER AND SEWER AUTHORITY

Dated as of June 17, 2016

**Virginia Resources Authority
Infrastructure and State Moral Obligation Revenue Bonds
(Virginia Pooled Financing Program)
Series 2016B**

TABLE OF CONTENTS

Page

**ARTICLE I
DEFINITIONS**

Section 1.1	Definitions.....	1
Section 1.2	Rules of Construction.....	5

**ARTICLE II
REPRESENTATIONS**

Section 2.1	Representations by VRA.....	6
Section 2.2	Representations by Local Government	6
Section 2.3	Representations Remade as of the Sale Date	8

**ARTICLE III
PURCHASE OF THE LOCAL BOND**

Section 3.1	Purchase of the Local Bond	9
Section 3.2	Issuance Expenses	9
Section 3.3	Schedule 1.1	10
Section 3.4	Conditions Precedent to Purchase of the Local Bond.....	10

**ARTICLE IV
USE OF PURCHASE PRICE**

Section 4.1	Deposit of Purchase Price; Investment of Amounts in Local Account.....	12
Section 4.2	Agreement to Accomplish Project	12
Section 4.3	Disbursement of Purchase Price and Earnings.....	13
Section 4.4	No Sufficiency Warranty by VRA; Local Government Required to Complete Project.....	14

**ARTICLE V
PLEDGE AND SECURITY**

Section 5.1	Pledge.....	14
Section 5.2	Rate Covenant	14
Section 5.3	Annual Budget of the System	15
Section 5.4	Qualified Independent Consultant's Report	15
Section 5.5	Local Debt Service Reserve Fund.....	16

**ARTICLE VI
PAYMENT AND REDEMPTION OF LOCAL BOND**

Section 6.1	Payment of Local Bond and Related Amounts.....	17
Section 6.2	Defeasance and Redemption of Local Bond.....	19

TABLE OF CONTENTS (cont.)

	<u>Page</u>
Section 6.3	Payments and Rights Assigned 20
Section 6.4	Obligations Absolute and Unconditional 20

**ARTICLE VII
OPERATION AND USE COVENANTS**

Section 7.1	Maintenance 20
Section 7.2	Additions and Modifications 20
Section 7.3	Permits 20
Section 7.4	Use 21
Section 7.5	Inspection and Local Government's Books and Records 21
Section 7.6	Ownership 21
Section 7.7	Sale or Encumbrance 21
Section 7.8	Collection of Revenues 22
Section 7.9	No Free Service 22
Section 7.10	No Competing Service 22
Section 7.11	Mandatory Connection 22
Section 7.12	Lawful Charges 22
Section 7.13	Construction Contractors 23
Section 7.14	Engineering Services 23

**ARTICLE VIII
INSURANCE, DAMAGE AND DESTRUCTION**

Section 8.1	Insurance 23
Section 8.2	Requirements of Policies 24
Section 8.3	Notice of Damage, Destruction or Condemnation 24
Section 8.4	Damage and Destruction 24
Section 8.5	Condemnation and Loss of Title 25

**ARTICLE IX
SPECIAL COVENANTS**

Section 9.1	Tax Covenants 25
Section 9.2	Maintenance of Existence 25
Section 9.3	Financial Records and Statements 25
Section 9.4	Certification as to No Default and Tax Compliance 26

TABLE OF CONTENTS (cont.)

	<u>Page</u>
Section 9.5 Further Assurances.....	26
Section 9.6 Assignment by Local Government.....	26
Section 9.7 Continuing Disclosure.....	26
Section 9.8 Other Indebtedness.....	29
Section 9.9 Additional Indebtedness.....	29
Section 9.10 Litigation; Material Change	31

**ARTICLE X
DEFAULTS AND REMEDIES**

Section 10.1 Events of Default.....	31
Section 10.2 Acceleration	32
Section 10.3 Other Remedies	32
Section 10.4 Delay and Waiver.....	32

**ARTICLE XI
MISCELLANEOUS**

Section 11.1 State Aid Intercept.....	32
Section 11.2 Successors and Assigns.....	33
Section 11.3 Amendments	33
Section 11.4 Limitation of Local Government's Liability	33
Section 11.5 Applicable Law	33
Section 11.6 Severability	33
Section 11.7 Notices.....	33
Section 11.8 Right to Cure Default.....	34
Section 11.9 Term of Agreement	34
Section 11.10 Counterparts	34

TABLE OF CONTENTS (cont.)

Page

Exhibit A	Form of Local Bond
Exhibit B	Description of the Project
Exhibit C	Pending or Threatened Actions, Suits, Proceedings, or Investigations
Exhibit D	Form of Requisition
Exhibit E	Operating Data
Exhibit F	Form of Opinion of Counsel to the Local Government
Exhibit G	Form of Certification as to No Default and Tax Compliance
Exhibit H	Description of Special Use Arrangements
Exhibit I	Form of Annual Budget
Exhibit J	Existing Parity Bonds
Schedule 1.1	Final Terms

LOCAL BOND SALE AND FINANCING AGREEMENT

This **LOCAL BOND SALE AND FINANCING AGREEMENT** is dated as of June 17, 2016, and is between the **VIRGINIA RESOURCES AUTHORITY**, a public body corporate and a political subdivision of the Commonwealth of Virginia ("VRA"), and the **GREENSVILLE COUNTY WATER AND SEWER AUTHORITY**, a public body corporate and politic and a political subdivision of the Commonwealth of Virginia (the "Local Government").

A. VRA intends to issue its Related Series of VRA Bonds, as hereinafter defined, and to use a portion of the proceeds thereof to acquire from the Local Government the Local Bond, as hereinafter defined.

B. VRA and the Local Government wish to set forth herein certain terms, conditions and provisions related to the purchase of the Local Bond, the application of the proceeds thereof, the payment of the debt service thereon and the security therefor, and the use and maintenance of the Related Financed Property, as hereinafter defined.

NOW, THEREFORE, VRA and the Local Government agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. Each capitalized term contained in this Agreement has the meaning set forth below:

"**2016B Acquisition Fund**" has the meaning set forth in the Related Supplemental Series Indenture.

"**Act**" means the Virginia Resources Authority Act, Chapter 21, Title 62.1 of the Code of Virginia of 1950, as amended.

"**Agreement**" means this Local Bond Sale and Financing Agreement dated the date first written above, between VRA and the Local Government, as modified, altered, amended or supplemented in accordance with the terms hereof.

"**Annual Budget**" means the budget of the System for each Fiscal Year.

"**Business Day**" means any day on which commercial banking institutions are generally open for business in New York, New York and Richmond, Virginia.

"**Closing Date**" means August 10, 2016 or such other date as may be determined by VRA.

"**Commonwealth**" means the Commonwealth of Virginia.

"**Consulting Engineer**" means the Local Engineer or the Outside Engineer.

"County" means the County of Greensville, Virginia.

"Effective Date" means June 17, 2016.

"Event of Default" has the meaning set forth in Section 10.1.

"Existing Parity Bonds" has the meaning set forth in Section 2.2(n).

"Financing Parameters" means the parameters established by the governing body of the Local Government regarding the terms and conditions of the Local Bond, which may include a maximum par amount, maximum "true" interest cost or targeted savings.

"Fiscal Year" means the 12-month period beginning October 1 of one year and ending on September 30 of the following year, or if the Local Government has established another 12-month period as its annual accounting period such other 12-month period.

"Government Obligations" means direct obligations of, or obligations the payment of the principal of and interest on which is unconditionally guaranteed by, the United States of America.

"Local Account" means the local account established for the Local Bond within the 2016B Acquisition Fund.

"Local Authorization" means the resolution adopted on June __, 2016, by a majority of the members of the governing body of the Local Government approving (i) the transactions contemplated by and authorizing the execution and delivery of the Local Bond Documents and (ii) the execution, issuance and sale of the Local Bond subject to the Financing Parameters.

"Local Bond" means the Local Government's _____, issued in the original principal amount set forth in Schedule 1.1, as such bond may be amended or modified.

"Local Bond Documents" means this Agreement, the Support Agreement and the Local Tax Document.

"Local Debt Service Reserve Fund" means the fund established under Section 5.5.

"Local Engineer" means an officer or employee of the Local Government so designated in writing by a Local Representative, which officer or employee (i) is licensed as a professional engineer in Virginia, (ii) has recognized standing and experience in the design and construction of facilities similar to the Project and (iii) is subject to VRA's reasonable approval.

"Local Government" means the Greensville County Water and Sewer Authority.

"Local Representative" means (i) the chair or vice chair of the governing body of the Local Government, (ii) the chief executive officer of the Local Government and (iii) any other official or employee of the Local Government authorized by resolution of the governing body of the Local Government to perform the act or sign the document in question.

"Local Reserve Fund Determination Date" means (i) the 10th day after each interest payment date under the Local Bond or, if such day is not a Business Day, on the first Business Day thereafter or (ii) any other date established in writing by VRA for the valuation of obligations on deposit in the Local Debt Service Reserve Fund.

"Local Reserve Requirement" means an amount equal to the maximum annual debt service payment on the Local Bond as of the Closing Date as set forth in Schedule 1.1.

"Local Tax Document" means the Nonarbitrage Certificate and Tax Compliance Agreement dated the Closing Date, between the Local Government and VRA, as modified, altered, amended and supplemented.

"Master Indenture" means the Master Indenture of Trust dated as of December 1, 2003, between VRA and the Trustee, as modified, altered, amended and supplemented in accordance with its terms.

"Net Revenues Available for Debt Service" means the Revenues less amounts necessary to pay Operation and Maintenance Expenses.

"Operation and Maintenance Expenses" means the costs of operating and maintaining the System determined under generally accepted accounting principles, exclusive of (i) interest on any debt payable from Revenues, (ii) depreciation and other items not requiring the expenditure of cash, (iii) any amounts expended for capital replacements, repairs and maintenance not recurring either annually or biannually, depending on the customary practice of performing operation and maintenance, or reserves therefor, and (iv) reserves for administration, operation and maintenance occurring in the normal course of business.

"Outside Engineer" means a firm of independent consulting engineers with recognized standing in the field of water and sewer engineering and licensed as professional engineers in Virginia that the Local Government designates in writing, subject to VRA's reasonable approval.

"Parity Bonds" means the bonds and other obligations of the Local Government secured by a pledge of Revenues on a parity with the lien of the pledge of Revenues that secures the Local Bond.

"Proceeds Requested" means the sum of \$_____ plus an amount sufficient to fund a debt service reserve fund or such other amount requested in writing by the Local Government and approved by VRA prior to the Sale Date.

"Project" means the project described in Exhibit B.

"Project Budget" means the budget for the Project set forth in Schedule 1.1.

"Project Costs" means the costs of the Project to the extent such costs are included in the definition of "cost" set forth in Section 62.1-199 of the Act, and includes the refunding of obligations of VRA or the Local Government issued to finance or refinance "costs" set forth in Section 62.1-199 of the Act.

"Purchase Price" has the meaning set forth in Schedule 1.1 and represents the amount received by the Local Government from the sale of the Local Bond to VRA. The Purchase Price of the Local Bond will be determined by adding to or subtracting from the portion of the par amount of the Related Portion of VRA Bonds the Local Government's share of the net original issue premium or discount on the Related Series of VRA Bonds and by subtracting from the par amount of the Related Portion of VRA Bonds the Local Government's share of VRA's expenses as set forth in Section 3.2 and the Local Government's share of the deposit on the Closing Date to any applicable VRA Reserve. It is acknowledged that the Purchase Price does not include any accrued interest on the Local Bond from its dated date to the Closing Date.

"Qualified Independent Consultant" means an independent professional consultant having the skill and experience necessary to provide the particular certificate, report or approval required by the provision of this Agreement in which such requirement appears, including without limitation an Outside Engineer, and an independent certified public accountant or firm of independent certified public accountants; provided, however, all Qualified Independent Consultants are subject to the reasonable approval of VRA.

"Registrar" means the officer or employee of the Local Government designated under the Local Authorization to maintain the registration books for the Local Bond.

"Related Financed Property" means the land, building, equipment and other property, the acquisition, construction, renovation, or equipping of which was financed by the Local Bond as part of the Project.

"Related Portion of VRA Bonds" means the portion of the Related Series of VRA Bonds allocable to the Local Bond (as determined by VRA), including any bonds issued by VRA to refund such Related Series of VRA Bonds in whole or in part.

"Related Series of VRA Bonds" means the Virginia Resources Authority Infrastructure and State Moral Obligation Revenue Bonds (Virginia Pooled Financing Program), Series 2016B (or such other series of Infrastructure and State Moral Obligation Revenue Bonds (Virginia Pooled Financing Program that is specified in Schedule 1.1), in the original aggregate principal amount set forth in Schedule 1.1, and, unless the Local Government receives notice to the contrary from VRA, any bonds issued by VRA to refund the Related Series of VRA Bonds in whole or in part.

"Related Supplemental Series Indenture" means the Thirty-Sixth Supplemental Series Indenture of Trust dated as of August 1, 2016, between VRA and the Trustee, as modified, altered, amended and supplemented in accordance with its terms and those of the Master Indenture.

"Revenue Fund" has the meaning set forth in the Master Indenture.

"Revenues" means (i) all rates, fees, rentals, charges and other income properly allocable to the System under generally accepted accounting principles (provided that the Local Government may determine to include any cash or deferred revenues derived from availability or connection fees, even if all or part thereof are excluded from current revenues under generally accepted accounting principles) or resulting from the Local Government's ownership or

operation of the System and all rights to receive the same, whether now existing or hereafter coming into existence (including amounts appropriated for and paid to the Local Government by the County under the Support Agreement), exclusive of user and other deposits subject to refund until such deposits have become the Local Government's property, (ii) the proceeds of any insurance covering business interruption loss relating to the System, (iii) interest on any money or securities related to the System held by or on behalf of the Local Government and (iv) any other income from other sources now or hereafter pledged or specifically made available by or on behalf of the Local Government to or for the payment of Operation and Maintenance Expenses or debt service on Parity Bonds.

"Sale Date" means July 27, 2016, or such other date specified in Schedule 1.1.

"Subordinate Debt" means obligations of the Local Government secured by a pledge of Revenues expressly made subordinate to the pledge securing the Local Bond and any other Parity Bonds, and any obligations to make deposits related to reserve funds, rebate funds and similar funds or accounts established for the benefit of the Local Bond or any other Parity Bonds.

"Supplemental Interest" has the meaning set forth in Section 6.1.

"Support Agreement" means the Support Agreement dated as of August 1, 2016, between the County, the Local Government and VRA.

"System" means all plants, systems, facilities, equipment or property owned operated or maintained by the Local Government and used in connection with the supply, treatment, storage or distribution of water and the and the collection and treatment of wastewater, as the same may exist from time to time, and includes the Related Financed Property.

"Trustee" means U.S. Bank National Association, Richmond, Virginia, as trustee under the Master Indenture and the Related Supplemental Series Indenture, or its successors serving in such capacity.

"Virginia SNAP" means the Commonwealth of Virginia State Non-Arbitrage Program.

"VRA" means the Virginia Resources Authority, a public body corporate and a political subdivision of the Commonwealth.

"VRA Bonds" means the Related Series of VRA Bonds and any additional bonds issued under the Master Indenture.

"VRA Reserve" means any one or more of the Capital Reserve Fund, the Infrastructure Debt Service Reserve Fund, the Operating Reserve Fund, a CRF Credit Facility or an Infrastructure Revenue DSRF Facility, each as defined in the Master Indenture.

Section 1.2 Rules of Construction. The following rules apply to the construction of this Agreement unless the context requires otherwise:

(a) Singular words connote the plural number as well as the singular and vice versa.

(b) Words importing the redemption or calling for redemption of the Local Bond do not refer to or connote the payment of the Local Bond at its stated maturity.

(c) All references in this Agreement to particular Articles, Sections or Exhibits are references to Articles, Sections or Exhibits of this Agreement unless otherwise indicated.

(d) The headings and table of contents as used in this Agreement are solely for convenience of reference and do not constitute a part of this Agreement and do not affect its meaning, construction or effect.

ARTICLE II REPRESENTATIONS

Section 2.1 Representations by VRA. VRA represents to the Local Government as follows:

(a) VRA is a duly created and validly existing public body corporate and political subdivision of the Commonwealth vested with the rights and powers conferred upon it under the Act.

(b) VRA has full right, power and authority to (i) issue, sell and deliver the Related Series of VRA Bonds, (ii) direct the Trustee to use a portion of the proceeds of the Related Series of VRA Bonds to purchase the Local Bond from the Local Government as contemplated under the Related Supplemental Series Indenture and this Agreement and (iii) carry out and consummate all other transactions contemplated by this Agreement.

(c) VRA has duly authorized, executed and delivered this Agreement, and this Agreement constitutes a legal, valid and binding obligation of VRA enforceable against VRA in accordance with its terms.

Section 2.2 Representations by Local Government. The Local Government represents to VRA as follows:

(a) The Local Government is a duly created and validly existing Virginia "local government" (as defined in Section 62.1-199 of the Act) and is vested with the rights and powers conferred upon it by Virginia law.

(b) The Local Government has full right, power and authority to (i) adopt the Local Authorization and execute and deliver the Local Bond Documents and all related documents, (ii) issue, sell and deliver its Local Bond to the Trustee, (iii) own and operate the Related Financed Property and the System, (iv) undertake the Project and (v) carry out and consummate all of the transactions contemplated by the Local Authorization, the Local Bond and the Local Bond Documents.

(c) The Local Authorization authorized the execution and delivery of this Agreement and this Agreement is in substantially the same form as presented to the Local

Government's governing body at its meeting at which the Local Authorization was adopted. The Local Authorization was filed in the Circuit Court of the County on _____, 2016.

(d) The Local Government has obtained all governmental permits, licenses, registrations, certificates, authorizations and approvals required to have been obtained as of the Effective Date for the Local Government's (i) adoption of the Local Authorization, (ii) execution and delivery of the Local Bond Documents and the Local Bond, (iii) performance of its obligations under the Local Bond Documents and the Local Bond, (iv) the undertaking of the Project and (v) the operation and use of the Related Financed Property and the System. The Local Government knows of no reason why any such required governmental permits, licenses, registrations, certificates, authorizations or approvals not required to be obtained by the Effective Date cannot be obtained as required in the future.

(e) The Local Government has executed and delivered this Agreement, and this Agreement constitutes a legal, valid and binding obligation of the Local Government enforceable against the Local Government in accordance with its terms.

(f) When executed and delivered in accordance with the Local Authorization and this Agreement, the Local Bond will have been executed and delivered by duly authorized officials of the Local Government and will constitute a legal, valid and binding limited obligation of the Local Government enforceable against the Local Government in accordance with its terms.

(g) The issuance of the Local Bond and the execution and delivery of the Local Bond Documents and the performance by the Local Government of its obligations thereunder are within the powers of the Local Government and will not conflict with, or constitute a breach or result in a violation of (i) to the best of the Local Government's knowledge, any federal, or Virginia constitutional or statutory provision, including the Local Government's charter or articles of incorporation, if any, (ii) any agreement or other instrument to which the Local Government is a party or by which it is bound or (iii) any order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Local Government or its property.

(h) The Local Government is not in default in the payment of the principal of or interest on any of its indebtedness for borrowed money and is not in default under any instrument under and subject to which any indebtedness for borrowed money has been incurred. No event or condition has happened or existed, or is happening or existing, under the provisions of any such instrument, including but not limited to this Agreement, which constitutes, or which, with notice or lapse of time, or both, would constitute an event of default thereunder.

(i) The Local Government (i) to the best of the Local Government's knowledge, is not in violation of any existing law, rule or regulation applicable to it in any way that would have a material adverse effect on its financial condition or its ability to perform its obligations under the Local Bond or the Local Bond Documents and (ii) is not in default under any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which the Local Government is a party or by which it is bound or to which any of its assets is subject that would have a material adverse

effect on its financial condition or its ability to perform its obligations under the Local Bond and the Local Bond Documents. The Local Government's execution and delivery of the Local Bond and the Local Bond Documents and its compliance with the terms and conditions thereof will not conflict with or result in a breach of or constitute a default under any of the foregoing.

(j) The Local Government reasonably expects that, unless otherwise permitted by the terms of the Local Bond Documents or approved by VRA, the Local Government will own, operate and control the Related Financed Property and the System at all times during the term of the Local Bond.

(k) Except as set forth in Exhibit C, there are not pending nor, to the best of the Local Government's knowledge, threatened against the Local Government, any actions, suits, proceedings or investigations of a legal, equitable, regulatory, administrative or legislative nature (i) affecting the creation, organization or existence of the Local Government or the title of its officers to their respective offices, (ii) seeking to prohibit, restrain or enjoin the approval, execution, delivery or performance of the Local Authorization, the Local Bond Documents or the issuance or delivery of the Local Bond, (iii) in any way contesting or affecting the validity or enforceability of the Local Bond, the Local Authorization, the Local Bond Documents or any agreement or instrument relating to any of the foregoing, (iv) in which a judgment, order or resolution may have a material adverse effect on the Local Government or its business, assets, condition (financial or otherwise), operations or prospects or on its ability to perform its obligations under the Local Authorization, the Local Bond Documents or the Local Bond or (v) affecting the Project.

(l) The financial statements, applications and other information that the Local Government furnished to VRA in connection with this Agreement fairly and accurately portray the Local Government's financial condition, as of their dates, and there has been no material adverse change in the financial condition of the Local Government since the date of the financial statements provided to VRA in connection with this Agreement.

(m) Nothing that would constitute an Event of Default hereunder has occurred and is continuing, and no event or condition exists that with the passage of time or the giving of notice, or both, would constitute an Event of Default hereunder.

(n) A list of all Parity Bonds that is outstanding on the date of this Agreement is attached as Exhibit J (the "Existing Parity Bonds").

(o) Except for the Existing Parity Bonds, there is no indebtedness of the Local Government secured by a pledge of Revenues prior to or on a parity with the lien of the pledge of Revenues that secures the Local Bond.

Section 2.3 Representations Remade as of the Sale Date. (a) It shall be a condition precedent of VRA's obligation to sell the Related Series of VRA Bonds that the Local Government's representations and warranties set forth in Section 2.2 be true and accurate in all respects on the Sale Date.

(b) If prior to the Sale Date, any representation or warranty set forth in Section 2.2 becomes untrue or inaccurate, then the Local Government shall notify VRA within

one Business Day of becoming aware of such facts, and VRA, in its sole and absolute discretion, shall determine whether to sell VRA Bonds on behalf of the Local Government, which series of VRA Bonds (if any) to sell on behalf of the Local Government and any additional conditions precedent to the sale of such VRA Bonds or the purchase of the Local Bond.

ARTICLE III PURCHASE OF THE LOCAL BOND

Section 3.1 Purchase of the Local Bond. (a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth or incorporated herein, VRA shall purchase, solely from the proceeds of the Related Series of VRA Bonds, all, but not less than all, of the Local Bond from the Local Government, and the Local Government shall, subject to the Financing Parameters, sell and deliver to VRA the Local Bond for the Purchase Price. The Local Government acknowledges that the Purchase Price is determined by VRA, is subject to VRA's Purchase Price Objective (as defined below) and market conditions as described below, and is expected to be substantially equal to the Proceeds Requested. The Local Government shall issue the Local Bond pursuant to the Local Authorization and in substantially the form of Exhibit A to this Agreement. As a condition of VRA entering into this Agreement, the Local Government shall deliver to VRA a copy of the Local Authorization as adopted prior to the date hereof.

(b) The Local Government acknowledges that VRA has advised the Local Government that its objective is to pay the Local Government the Purchase Price for its Local Bond which in VRA's judgment reflects the market value of the Local Bond ("Purchase Price Objective"), taking into consideration the Financing Parameters, the purchase price received by VRA for the Related Series of VRA Bonds, the underwriters' discount and other issuance costs of the Related Series of VRA Bonds and other market conditions relating to the sale of the Related Series of VRA Bonds. The Local Government further acknowledges that VRA has advised it that such factors may result in the Local Bond having a value other than par and that in order to receive an amount of proceeds that is substantially equal to the Proceeds Requested, the Local Government may need to issue the Local Bond with a par amount that is greater or less than the Proceeds Requested. The Local Government shall not issue the Local Bond if doing so would violate any Financing Parameter. The Local Government shall issue the Local Bond at a par amount that provides to the fullest extent practicable given VRA's Purchase Price Objective, a Purchase Price at least equal to the Proceeds Requested, all in accordance with the Local Authorization. The Local Government acknowledges that the Purchase Price will be less than the Proceeds Requested if any Financing Parameter prevents VRA from generating a Purchase Price substantially equal to the Proceeds Requested, based upon VRA's Purchase Price Objective.

Section 3.2 Issuance Expenses. VRA shall pay, or cause to be paid, from the proceeds of the Related Series of VRA Bonds all expenses incident to the performance of VRA's obligations under and the fulfillment of the conditions imposed by this Agreement in connection with the issuance, sale and delivery of the Related Series of VRA Bonds and the purchase of the Local Bond on the Closing Date, including, but not limited to: (i) the cost, if any, of preparing and delivering the Related Series of VRA Bonds; (ii) the cost of preparing, printing and delivering the Preliminary Official Statement and the Official Statement for the Related Series of VRA Bonds and any amendment or supplement thereto; (iii) the fees and expenses of the

financial advisor(s) and bond counsel to VRA; and (iv) all other costs and expenses incurred by VRA. The Local Government shall pay all expenses of the Local Government incident to the issuance, sale and delivery of the Local Bond, including, but not limited to the fees and disbursements of the financial advisor, counsel and bond counsel to the Local Government from the Purchase Price or other funds of the Local Government.

Section 3.3 Schedule 1.1. VRA shall complete Schedule 1.1, which shall set forth, among other things, the principal amount, interest rates, payment schedule and Purchase Price with respect to the Local Bond and the principal amount of the Related Series of VRA Bonds on or after the Sale Date. VRA shall deliver the completed Schedule 1.1 to the Local Government and shall attach Schedule 1.1 to this Agreement. Upon delivery to the Local Government, the completed Schedule 1.1 shall become a part of this Agreement the same as if it were a part hereof on the Effective Date.

Section 3.4 Conditions Precedent to Purchase of the Local Bond. VRA shall not be required to cause the Trustee to purchase the Local Bond unless:

(a) VRA has received the following, all in form and substance satisfactory to VRA:

(1) Certified copies of the Local Authorization and all other ordinances and resolutions of the Local Government relating to the Local Bond Documents and the Local Bond, if any.

(2) A certificate of the appropriate officials of the Local Government dated the Closing Date as to the matters set forth in Section 2.2 and Section 2.3 (to the extent applicable), including appropriate certifications regarding the Local Bond Documents, and such other matters as VRA may reasonably require.

(3) Evidence that the Local Government has performed and satisfied all of the terms and conditions contained in this Agreement to be performed and satisfied by it as of such date.

(4) An opinion of counsel to the Local Government in substantially the form attached as Exhibit F.

(5) An opinion of bond counsel to the Local Government in form and substance reasonably satisfactory to VRA.

(6) Evidence that the Local Government has complied with the insurance provisions set forth in Section 8.1 and Section 8.2.

(7) The executed Local Bond and original executed counterparts of the Local Tax Document.

(8) A certificate of the Consulting Engineer giving the Consulting Engineer's estimate of the construction portion of the total Project Costs to be financed

with the proceeds of the Local Bond, which estimate must be in an amount and otherwise compatible with the financing plan described in the Project Budget.

(9) A certificate of a Consulting Engineer (i) to the effect that the Purchase Price and funds available from the other sources specified in the Project Budget will be sufficient to pay all of the estimated Project Costs and (ii) specifying the date the Local Government is expected to complete the Project.

(10) A certificate of a Consulting Engineer to the effect that the Project will be part of the System.

(11) A certificate of a Consulting Engineer or a Qualified Independent Consultant, including supporting documentation, to the effect that during the first two complete Fiscal Years following the estimated completion date of the Project, the projected Net Revenues Available for Debt Service will satisfy the Local Government's rate covenant under Section 5.2(a). In providing this certificate, the Consulting Engineer or Qualified Independent Consultant may take into consideration future System rate increases, provided that such rate increases have been duly approved by the Local Government's governing body and any other person or entity required to give approval for the rate increase to become effective. In addition, the Consulting Engineer or Qualified Independent Consultant may take into consideration additional future revenues to be derived under existing contractual arrangements entered into by the Local Government and from reasonable estimates of growth in the Local Government's consumer base.

(12) A certificate of the Consulting Engineer to the effect that (i) all governmental permits, licenses, registrations, certificates, authorizations and approvals for the undertaking of the Project and the operation and use of the System required to have been obtained as of the Closing Date have been obtained and (ii) the Consulting Engineer knows of no reason why any such required governmental permits, licenses, registrations, certificates, authorizations and approvals for the undertaking of the Project and the operation and use of the System cannot be obtained as required in the future.

(13) Evidence that the Local Government is in compliance with the construction contract provisions set forth in Section 7.13 with respect to any existing contracts as of the Closing Date.

(14) A certified copy of the resolution adopted by the governing body of the County on _____, 2016, relating to the Support Agreement.

(15) Evidence that the Local Government has satisfied all conditions precedent to the issuance of the Local Bond as a "Parity Bond" under the financing documents for the Existing Parity Bonds.

(16) Such other documentation, certificates and opinions as VRA may reasonably require as set forth in Schedule 1.1.

(b) The initial purchasers of the Related Series of VRA Bonds have paid in full and VRA has accepted the purchase price for the Related Series of VRA Bonds on the Closing Date. It is understood that the sole source of funds to pay the Purchase Price is a portion of the proceeds of the Related Series of VRA Bonds.

ARTICLE IV USE OF PURCHASE PRICE

Section 4.1 Deposit of Purchase Price; Investment of Amounts in Local Account.

(a) On the Closing Date, VRA shall cause the Trustee to deposit the Purchase Price into the Local Account and to apply the Purchase Price and the earnings thereon as set forth in the Related Supplemental Series Indenture, this Agreement and the Local Tax Document.

(b) The Local Government acknowledges and consents to the investment of the Purchase Price and the earnings thereon allocable to pay the Local Government's related costs of issuance, if any in Virginia SNAP.

Section 4.2 Agreement to Accomplish Project. (a) The Local Government shall cause the Project to be acquired, constructed, expanded, renovated, equipped or financed as described in Exhibit B and in accordance with the Project Budget, this Agreement, the Local Tax Document and the plans, specifications and designs prepared by the Consulting Engineer and approved by the Local Government. The Local Government shall complete, or cause to be completed, the Project by the date set forth in the certificate delivered under Section 3.4(a)(4). The Local Government shall obtain the approval of all applicable regulatory agencies to all plans, specifications and designs for the Project. The Local Government shall maintain complete and accurate books and records of the Project Costs and permit VRA or the Trustee through their representatives to inspect such books and records at any reasonable time.

(b) Upon completion of the Project, the Local Government shall promptly deliver to VRA and the Trustee a certificate signed by a Local Representative and by the Consulting Engineer stating (i) that the Project has been completed substantially in accordance with this Article and in substantial compliance with all material applicable laws, ordinances, rules and regulations, (ii) the date of such completion and (iii) that all certificates of occupancy or other material permits then necessary for the use, occupancy and operation of the Related Financed Property have been issued or obtained. Such certificate shall be accompanied by a copy of the final requisition submitted to the Trustee pursuant to Section 4.3, including Schedule 1 thereto.

(c) If upon completion of the Project and payment of all related costs of issuance, there is a balance remaining in the Local Account, the Trustee shall apply any remaining balance at the direction of the Local Government to pay interest on the Local Bond or in such other manner that is permitted under the Act and will not, in the opinion of a nationally-recognized bond counsel delivered to VRA and the Trustee, have an adverse effect on the tax status of the Related Series of VRA Bonds.

Section 4.3 Disbursement of Purchase Price and Earnings. Except as provided in Section 4.2(c), the Local Government shall apply the amounts in the Local Account solely and exclusively to the payment or reimbursement of the Local Government for the Project Costs. Not more frequently than once per calendar month, the Trustee shall disburse amounts from the Local Account to the Local Government or as directed by the Local Government upon the Trustee's receipt of the following:

(a) A requisition (upon which the Trustee and VRA shall be entitled to rely) signed by a Local Representative and containing all information called for by, and otherwise being in the form of, Exhibit D (including the Schedules thereto).

(b) Receipts, vouchers, statements, bills of sale or other evidence of payment of the related Project Costs.

(c) If any requisition includes an item for payment for labor or to contractors, builders or materialmen:

(1) a certificate, signed by a Consulting Engineer, stating that such work was actually performed or such materials, supplies or equipment were actually furnished or installed in or about the construction of the Project; and

(2) a certificate, signed by a Consulting Engineer (that may rely on representations of counsel or a title insurance agency reasonably acceptable to VRA), stating that no notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the money payable under the requisition to any of the persons, firms or corporations named in it has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of the requisition.

(d) If any requisition includes an item for payment of the cost of acquisition of any lands or easements, rights or interests in or relating to lands, there shall also be attached to such requisition:

(1) a certificate, signed by a Consulting Engineer, stating that such lands, easements, rights or interests are being acquired and are necessary or convenient for the construction of the Project; and

(2) a certificate, signed by a Consulting Engineer (that may rely on representations of counsel or a title insurance agency reasonably acceptable to VRA), stating that upon payment therefor the Local Government will have title in fee simple to, or easements, rights or interests sufficient for the purposes of, the Project over and through the subject lands.

Following VRA's approval of each such requisition and accompanying invoice(s) and certificate(s), which approval will not unreasonably be withheld, the Trustee shall pay the requisition from the Local Account in accordance with the instructions in such requisition.

The Local Government agrees that any amounts disbursed to it or for its account from the Local Account will be (i) immediately applied to reimburse the Local Government for Project Costs it has already paid or (ii) actually spent to pay Project Costs not later than five banking days after receipt.

Section 4.4 No Sufficiency Warranty by VRA; Local Government Required to Complete Project. VRA makes no warranty, either express or implied, that the Purchase Price will be sufficient to pay all or any particular portion of the Project Costs. If the Purchase Price is not sufficient to pay in full the cost of the Project, the Local Government shall complete the Project at its own expense and shall not be entitled to any reimbursement therefor from VRA or any abatement, diminution or postponement of its payments under the Local Bond or this Agreement.

ARTICLE V PLEDGE AND SECURITY

Section 5.1 Pledge. Subject to the Local Government's right to apply Revenues to the payment of Operation and Maintenance Expenses, the Revenues are hereby pledged to secure the payment of the principal of and premium, if any, and interest on the Local Bond and the payment and performance of the Local Government's obligations under this Agreement on a parity with any Parity Bonds. This pledge shall be valid and binding from and after the Closing Date. The Revenues, as received by the Local Government, shall immediately be subject to the lien of this pledge without any physical delivery of them or further act. Except as stated above, the lien of this pledge shall have priority over all other obligations and liabilities of the Local Government payable from Revenues, and the lien of this pledge shall be valid and binding against all parties having claims of any kind against the Local Government regardless of whether such parties have notice of this pledge. Until the occurrence and continuation of an Event of Default, the Local Government may, after the application each month of Revenues to the payment of the Operation and Maintenance Expenses and debt service on the Local Bond and any other Parity Bonds, use the Revenues for any lawful purpose.

Section 5.2 Rate Covenant. (a) The Local Government shall fix and collect rates, fees and other charges for the use of and for services furnished or to be furnished by its System, and will from time to time revise such rates, fees and other charges so that in each Fiscal Year the Net Revenues Available for Debt Service will equal at least 115% of the amount required during the Fiscal Year to pay the principal of and interest on the Local Bond and all other Parity Bonds.

(b) If, for any reason, the Net Revenues Available for Debt Service are insufficient to satisfy the covenant set forth in subsection (a), the Local Government shall within 90 days adjust and increase its rates, fees and other charges or reduce its Operation and Maintenance Expenses so as to provide sufficient Net Revenues Available for Debt Service to satisfy such requirement.

(c) On or before the last day of each Fiscal Year, the Local Government shall review the adequacy of its rates, fees and other charges for the next Fiscal Year, and, if such review indicates the Local Government's rates, fees and other charges will be insufficient to

satisfy the rate covenant in subsection (a), the Local Government shall promptly take appropriate action to increase its rates, fees and other charges or reduce its Operation and Maintenance Expenses to cure any deficiency.

Section 5.3 Annual Budget of the System. Not less than 15 days before the first day of each Fiscal Year, the Local Government shall submit to its governing body and to VRA a copy of a preliminary annual budget, containing all information called for by, and otherwise being in the form of, Exhibit I to this Agreement, for such Fiscal Year setting forth a schedule of the rates, fees and other charges to be imposed by the Local Government, the Revenues estimated to be generated thereby and the expenditures anticipated by the Local Government for operations, maintenance, repairs, replacements, improvements, debt service and other purposes. The Local Government shall adopt, prior to the first day of each Fiscal Year, a budget for such Fiscal Year. The Local Government shall ensure that the adopted budget contains the information required to be included in the preliminary budget. Such budget as approved by the Local Government's governing body is referred to in this Agreement as the Annual Budget. The Local Government may at any time during any Fiscal Year amend the Annual Budget for such Fiscal Year so long as such amendment does not result in an Event of Default. The Local Government shall promptly submit to VRA, in an electronic format, a copy of the Annual Budget and any amendments thereto.

Section 5.4 Qualified Independent Consultant's Report. (a) If at the end of any Fiscal Year, the Local Government is not in compliance with the rate covenant made by the Local Government in Section 5.2(a), within 210 days after the end of such Fiscal Year, the Local Government shall obtain a report from the Qualified Independent Consultant. The Local Government shall ensure that the report gives advice and makes recommendations as to the proper maintenance, repair, replacement and operation of the System for the next ensuing Fiscal Year and estimating the costs thereof as to the rates, fees, and other charges which should be established by the Local Government to satisfy the rate covenant in Section 5.2(a). The Local Government shall promptly furnish a copy of such report to VRA and, subject to Section 5.4(b), take measures to implement the recommendations of the Qualified Independent Consultant within 90 days of obtaining such report.

(b) If the Local Government determines that the Qualified Independent Consultant's recommendations are impractical or inappropriate, the Local Government may in lieu thereof adopt other procedures which the Local Government believes will bring it into compliance with the rate covenant made by the Local Government in Section 5.2(a) when such measures have been implemented and become fully effective. Such alternative plan shall be filed with VRA not later than 30 days after receipt of the Qualified Independent Consultant's report along with a detailed explanation of the Local Government's reason for rejecting the Qualified Independent Consultant's recommendations. Notwithstanding anything herein to the contrary, VRA reserves the right, in its sole discretion, to reject such alternate procedures and, to the extent permitted by law, require the Local Government to comply with the Qualified Independent Consultant's recommendations.

Section 5.5 Local Debt Service Reserve Fund.

(a) The Trustee is hereby directed to establish a "Greenville County Water and Sewer Authority 2016B Debt Service Reserve Account" (the "Local Debt Service Reserve Fund") for the benefit of VRA, to be held in accordance with Section 10.1 of the Master Indenture and separate and apart from the funds established under the Master Indenture. On the Closing Date, the Trustee shall deposit, from proceeds of the 2016B VRA Bonds, the Local Reserve Requirement into the Local Debt Service Reserve Fund.

(b) Money in the Local Debt Service Reserve Fund shall be used solely to cure any deficiencies in the payment by the Local Government of principal of, premium if any, or interest on the Local Bond pursuant to Section 6.1(a)(1). If there is a deficiency in the amount of such payment, the Trustee shall transfer the amount of the deficiency from the amount, if any, on deposit in the Local Debt Service Reserve Fund to the Revenue Fund established under the Master Indenture. The Trustee shall notify VRA and the Local Government of the transfer within one Business Day of the transfer. Notwithstanding the foregoing, no such transfer from the Local Debt Service Reserve Fund shall relieve the Local Government of its obligation to make the payments of principal of or premium, if any, and interest on the Local Bond due under this Agreement.

(c) On each Local Reserve Fund Determination Date, or at any other time as may be requested by VRA or the Local Government, the Trustee shall determine if the balance on deposit in the Local Debt Service Reserve Fund is at least equal to the Local Reserve Requirement. In making each such determination, the Trustee shall value obligations on deposit in the Local Debt Service Reserve Fund at par; provided, however, any securities purchased at a purchase price of less than 98% of par or in excess of 102% of par shall be valued at fair market value. If on any Local Reserve Fund Determination Date there exists a deficiency in the Local Debt Service Reserve Fund, the Trustee shall notify VRA and the Local Government of such fact and the amount of the deficiency within one Business Day of such determination, and, if such deficiency shall continue to exist, VRA's Executive Director shall notify the Local Government that an Event of Default has occurred pursuant to Section 10.1 of this Agreement. In determining whether a deficiency continues to exist, the Executive Director of VRA shall not take into account any deficiency resulting from the valuation by the Trustee of the obligations in the Local Debt Service Reserve Fund so long as the Local Government has not defaulted in making payments to replenish the Local Debt Service Reserve Fund under Section 6.1(a)(5).

(d) If on any Local Reserve Fund Determination Date there exists a surplus in the Local Debt Service Reserve Fund, the Trustee shall transfer such surplus to the Revenue Fund established under the Master Indenture and credit such transfer to the Local Government's next succeeding principal, premium, if any, or interest payments on the Local Bond; provided, however, that if on any Local Reserve Fund Determination Date there exists or will exist a surplus in the Local Debt Service Reserve Fund as the result of the payment at maturity or upon redemption, defeasance or prepayment under Section 6.2 of a portion of the Local Bond on or as of such Local Reserve Fund Determination Date, then the Trustee shall apply such surplus at the direction of the Local Government.

(e) The Local Government shall replenish the Local Debt Service Reserve Fund pursuant to Section 6.1(a)(5).

(f) Any amount held in the Local Debt Service Reserve Fund shall be invested and reinvested by the Trustee, at the request of and as directed in writing by a Local Representative, in (i) bills, notes and any other obligation or security issued or backed by the full faith and credit of the United States Treasury, (ii) bonds, notes and other obligations issued by any federal government agency or instrumentality or government sponsored enterprise except for collateralized mortgage obligations or (iii) investments provided under the Virginia SNAP. The final maturity of such securities shall not exceed a period of 10 years from the time of purchase or shall be subject to redemption at the option of the Trustee or the Local Government no later than 10 years from the time of purchase.

(g) The Trustee shall transfer any interest earned on the investment of money in the Local Debt Service Reserve Fund to the Revenue Fund to be credited against the next debt service payment on the Local Bond to the extent that such transfer will not cause the balance in the Local Debt Service Reserve Fund to be less than the Local Reserve Requirement.

ARTICLE VI PAYMENT AND REDEMPTION OF LOCAL BOND

Section 6.1 Payment of Local Bond and Related Amounts.

(a) Until the principal of and premium, if any, and interest on the Local Bond and all other amounts payable under this Agreement have been paid in full, the Local Government shall pay the Trustee or VRA, as applicable, the following amounts:

(1) to the Trustee, the amounts required by the Local Bond on such dates and in such manner as provided for in the Local Bond – the term "interest," as used in the Local Bond and this Agreement, includes Supplemental Interest, when and if payable;

(2) to the Trustee, on VRA's demand, or to VRA, any amounts payable under the Local Tax Document, including without limitation the costs of any rebate calculation agent;

(3) to VRA, on its demand, a late payment penalty in an amount equal to 5.0% of the payment on the Local Bond not paid within 10 days after its due date;

(4) to the Trustee, the Local Government's share (as determined by VRA) of the annual fees and expenses of the Trustee, less the Local Government's share of the net earnings on the Revenue Fund, Infrastructure Revenue Debt Service Fund and Moral Obligation Debt Service Fund established under the Master Indenture (as determined by VRA), and the Local Government shall pay such amounts no later than 15 days after VRA or the Trustee sends to the Local Government a written bill for them;

(5) to VRA, the reasonable costs and expenses, including reasonable attorneys' fees, if any, incurred by VRA in connection with (i) an Event of Default or default by the Local Government under this Agreement (ii) any amendment to or discretionary action that VRA undertakes at the request of the Local Government under this Agreement, any other document related to the Related Series of VRA Bonds or the

Local Bond or (iii) any claim, lawsuit or other challenge to the Local Bond, the VRA Bonds or this Agreement that arises, at least in part, out of the Local Government's authorization of its issuance of the Local Bond, and the Local Government shall pay such amounts no later than 15 days after VRA or the Trustee sends to the Local Government a written bill for them; and

(6) to the Trustee, an amount equal to one-sixth (1/6) of the amount of any deficiency in the amount on deposit in the Local Debt Service Reserve Fund as determined by the Trustee on the immediately preceding Local Reserve Fund Determination Date any deficiency in the Local Debt Service Reserve Fund, on the first day of each month after such default in payments until the deficiency is eliminated.

(b) If any failure of the Local Government to pay all or any portion of any required payment of the principal of or premium, if any, or interest on the Local Bond results in a withdrawal from or a drawing on any VRA Reserve, the interest rates applicable to the Local Bond shall be increased to interest rates sufficient to reimburse the VRA Reserve for any foregone investment earnings on the funds withdrawn therefrom and pay any interest, fees or penalties assessed as a result of the withdrawal from or drawing on the VRA Reserve. The increment of interest payable pursuant to the increase in rates shall be referred to as "Supplemental Interest." The Local Government's obligation to pay Supplemental Interest shall commence on the date of the withdrawal or drawing of funds from the VRA Reserve occasioned by the Local Government's failure to pay a required payment or portion thereof as described above (the "Supplemental Interest Commencement Date"). The Local Government's obligation to pay Supplemental Interest shall terminate on the date on which the Local Government makes all payments required but outstanding since the date of the initial failure to pay (the "Supplemental Interest Termination Date"). From the Supplemental Interest Commencement Date to the Supplemental Interest Termination Date, Supplemental Interest shall be due and payable on the regularly scheduled interest payment dates provided for in the Local Bond. As soon as reasonably possible after the Supplemental Interest Commencement Date and before the next regularly scheduled interest payment date provided for in the Local Bond, VRA shall deliver to the Local Government a certificate as to the increase in interest rates and the amount of Supplemental Interest. The certificate shall set forth in reasonable detail the basis for the increase in interest rates and the manner of calculation of the increase and the amount of Supplemental Interest. Such certificate shall be conclusive (absent manifest error) as to the interest rate increase and amount of Supplemental Interest set forth therein. In determining the interest rate increase and the amount of Supplemental Interest, VRA may use any reasonable averaging and attribution methods.

(c) The Local Government shall pay the amounts described above and make payments as scheduled under the Local Bond despite any amount being withdrawn from or drawn on a VRA Reserve pursuant to the Master Indenture.

Section 6.2 Defeasance and Redemption of Local Bond.

(a) The Local Government shall not defease or redeem the Local Bond (in whole or in part), except as provided in this Section 6.2.

(b) The Local Government shall satisfy the following conditions prior to the defeasance and redemption of the Local Bond:

(1) The Local Government shall provide to VRA not less than 60 days' prior written notice of the deposit of the funds described in (2), (3) and (4) below.

(2) The Local Government shall deposit with the Trustee an amount sufficient for VRA to establish an escrow of cash and non-callable, non-prepayable Government Obligations the principal of and interest on which will be sufficient (without reinvestment) to cause the defeasance under Article XII of the Master Indenture of the portion of the Related Portion of VRA Bonds corresponding to the portion of the Local Bond to be defeased or prepaid (the "Allocated Portion"). The defeasance of the Allocated Portion may be either to maturity or an earlier redemption date as determined by the Local Government.

(3) The Local Government shall deposit with VRA cash in an amount sufficient, as determined by VRA, to pay for a verification report required for the defeasance of the Allocated Portion under Article XII of the Master Indenture, any costs incurred by VRA in connection with the redemption, refunding and defeasance of the Allocated Portion, all amounts overdue or then due on the Local Bond (including, without limitation, any Supplemental Interest) and all amounts overdue, due or to become due under Section 6.1(a) of this Agreement.

(4) The Local Government shall deposit with VRA cash in an amount equal to the present value of interest that would be paid on the principal of the Allocated Portion at a rate equal to 0.125%, payable semiannually, to the maturity dates of the Allocated Portion or, if earlier, the redemption date or dates of the Allocated Portion. Present value shall be determined by using a discount rate equal to the true interest cost of the Related Portion of VRA Bonds.

(c) VRA will determine which Related Portion of VRA Bonds will be designated as the Allocated Portion and the amounts to be deposited under subsection (b)(2) and (3) above using such reasonable allocation and estimation methods as may be selected by VRA, and VRA's determinations shall be conclusive (absent manifest error).

(d) The Local Government acknowledges that no funds in any VRA Reserve will be available to the Local Government for the defeasance or redemption of the Local Bond.

Section 6.3 Payments and Rights Assigned. The Local Government hereby consents to VRA's assignment to the Trustee of VRA's rights under this Agreement and the Local Bond. The Local Government also hereby acknowledges and consents to the reservation by VRA of the right and license to enjoy and enforce VRA's rights under the Local Bond and this Agreement so long as no Event of Default (as defined in the Master Indenture) with respect to the Related Series of VRA Bonds has occurred and is continuing. Even though VRA will be the registered owner of the Local Bond, the Local Government shall pay directly to the Trustee all amounts payable by the Local Government under the Local Bond and this Agreement (except for those

amounts specifically indicated as payable to VRA under Section 6.1 or Section 11.8, which the Local Government shall pay directly to VRA).

Section 6.4 Obligations Absolute and Unconditional. The obligation of the Local Government to make the payments required by the Local Bond and this Agreement from the sources pledged therefor shall be absolute and unconditional. The Local Government shall pay all such amounts without abatement, diminution or deduction (whether for taxes or otherwise) regardless of any cause or circumstance whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim that the Local Government may have or assert against VRA, the Trustee or any other person.

ARTICLE VII OPERATION AND USE COVENANTS

Section 7.1 Maintenance. At its own cost and expense the Local Government shall operate the Related Financed Property and the System in a proper, sound and economical manner in compliance with all legal requirements and shall maintain the Related Financed Property and the System in good repair and operating condition and from time to time shall make all necessary repairs, renewals and replacements.

Section 7.2 Additions and Modifications. At its own expense the Local Government from time to time may make any renewals, replacements, additions, modifications or improvements to the Related Financed Property and the System that the Local Government deems desirable, provided that any such renewal, replacement, addition, modification or improvement does not (i) materially reduce the value of the Related Financed Property and the System or (ii) negatively affect the structural or operational integrity of any part of the Related Financed Property and the System. The Local Government shall ensure that all such renewals, replacements, additions, modifications or improvements comply with all applicable federal, state and local laws, rules, regulations, orders, permits, authorizations and requirements. All such renewals, replacements, additions, modifications and improvements shall become part of the Related Financed Property and the System.

Section 7.3 Permits. The Local Government shall, at its sole cost and expense, obtain all permits, consents and approvals required by local, state or federal laws, ordinances, rules, regulations or requirements in connection with the acquisition, construction, equipping, occupation, operation or use of the Related Financed Property and the System. The Local Government shall, upon request, promptly furnish to VRA and the Trustee copies of all such permits, consents and approvals.

Section 7.4 Use. The Local Government shall comply with all lawful requirements of any governmental authority regarding the Related Financed Property and the System, whether now existing or subsequently enacted, whether foreseen or unforeseen or whether involving any change in governmental policy or requiring structural, operational or other changes to the Related Financed Property and the System, irrespective of the cost of making the same.

Section 7.5 Inspection and Local Government's Books and Records. The Local Government shall permit VRA, the Trustee and their duly authorized representatives and agents

such reasonable rights of access to the Related Financed Property the System as may be necessary to determine whether the Local Government is in compliance with the requirements of this Agreement, and the Local Government shall permit such parties, at all reasonable times and upon reasonable prior notice to the Local Government, to examine and copy the Local Government's books and records that relate to the Related Financed Property and the System.

Section 7.6 Ownership. The Local Government shall not construct, reconstruct or install any part of the Related Financed Property and the System on (i) lands other than those which the Local Government owns or can acquire title to or a perpetual easement over, in either case sufficient for the Local Government's purposes or (ii) lands in which the Local Government has acquired a right or interest less than a fee simple or perpetual easement, unless (1) such part of Related Financed Property and the System is lawfully located in a public street or highway or (2) the Local Government provides a written opinion of counsel or a report of a Qualified Independent Consultant, either of which in a form reasonably acceptable to VRA, that indicates that the lands and the Local Government's right or interest therein is sufficient for the Local Government's purposes.

Section 7.7 Sale or Encumbrance. No part of the System shall be sold, exchanged, leased, mortgaged, encumbered or otherwise disposed of except (i) with the written consent of VRA or (ii) as provided in any one of the following subsections:

(a) The Local Government may grant easements, licenses or permits across, over or under parts of the System for streets, roads and utilities as will not adversely affect the use of the System.

(b) The Local Government may sell or otherwise dispose of property constituting part of the System if it uses the proceeds of such disposition and any other necessary funds to replace such property with property serving the same or a similar function.

(c) The Local Government may sell or otherwise dispose of property constituting part of the System with a "book value" (as determined in accordance with generally accepted accounting principles) that, when combined with the aggregate "book value" of all of the other such property sold or otherwise disposed of under this subsection during the Fiscal Year in question, will not cause the aggregate "book value" of all of such property sold or otherwise disposed of under this subsection in such Fiscal Year to exceed \$125,000. The proceeds to be received from any such sale or disposition shall be applied first to cure any default that may exist in the payment of the principal of or interest on the Local Bond.

(d) The Local Government may otherwise sell or dispose of property constituting part of the System if there is filed with VRA a certificate of the Consulting Engineer stating that such property is not necessary or useful to the operation of the System. The proceeds to be received from any such sale or disposition shall be applied first to cure any default that may exist in the payment of the principal of or interest on the Local Bond.

Section 7.8 Collection of Revenues. The Local Government shall use its best efforts to collect all rates, fees and other charges due to it, including, without limitation, the perfection of liens on premises served by the System for the amount of all delinquent rates, fees and other

charges where such action is permitted by law. The Local Government shall, to the full extent permitted by law, discontinue and shut off, or cause to be discontinued and shut off, services and facilities of the System, and use its best efforts to cause to be shut off water service furnished otherwise than through the System, to customers of the System who are delinquent beyond any customary grace periods in the payment of rates, fees and other charges due to the Local Government.

Section 7.9 No Free Service. Except as otherwise required by law and as described on Exhibit H, the Local Government shall not permit connection with or the use of the System, or furnish any services afforded by the System, without making a charge therefor based on the Local Government's uniform schedule of rates, fees and charges.

Section 7.10 No Competing Service. To the extent permitted by law, the Local Government agrees not to provide, grant any franchise to provide or give consent for anyone else to provide, any services which would compete with the System.

Section 7.11 Mandatory Connection. To the extent permitted by law, the Local Government shall adopt and enforce rules and regulations, consistent with applicable laws, requiring the owner, tenant or occupant of each lot or parcel of land which is served or may reasonably be served by the System and upon which lot or parcel a building shall have been constructed for residential, commercial or industrial use, to connect such building to the System, provided, however, that such rules and regulations may permit the continued use of private water or sewage disposal systems approved by the applicable board of health or health officer by any such building already in existence at the time the services of the System become available to it upon such conditions as may be specified in such rules and regulations or until such time as such approved private water or sewage disposal system shall cease to be approved or shall require major repairs to continue to be approved, at which time such building shall be required to connect to the System.

Section 7.12 Lawful Charges. The Local Government shall pay when due all taxes, fees, assessments, levies and other governmental charges of any kind whatsoever (collectively, the "Governmental Charges") which are (i) assessed, levied or imposed against the System or the Local Government's interest in it, or (ii) incurred in the operation, maintenance, use and occupancy of the System. The Local Government shall pay or cause to be discharged, or shall make adequate provision to pay or discharge, all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon all or any part of the System or the Revenues (collectively, the "Mechanics' Charges"). The Local Government, however, after giving VRA 10 days' notice of its intention to do so, at its own expense and in its own name, may contest in good faith any Governmental Charges or Mechanics' Charges. If such a contest occurs, the Local Government may permit the same to remain unpaid during the period of the contest and any subsequent appeal unless, in VRA's reasonable opinion, such action may impair the lien on Revenues granted by this Agreement, in which event, such Governmental Charges or Mechanics' Charges promptly shall be satisfied or secured by posting with the Trustee or an appropriate court a bond in form and amount satisfactory to VRA. Upon request, the Local Government shall furnish to VRA proof of payment of all Governmental Charges and Mechanics' Charges the Local Government is required to pay under this Agreement.

Section 7.13 Construction Contractors. The Local Government shall cause each general construction contractor employed in the accomplishment of the Project to furnish a performance bond and a payment bond each in an amount equal to 100% of the particular contract price. Such bonds must list the Local Government, VRA and the Trustee as beneficiaries. Neither VRA nor the Trustee shall make any claims or exercise any rights under such bonds unless and until an Event of Default occurs. The Local Government shall cause each contractor to maintain during the construction period covered by the particular construction contract builder's risk insurance, workmen's compensation insurance, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Consulting Engineer.

Section 7.14 Engineering Services. The Local Government shall retain or employ a Consulting Engineer to provide engineering services covering the operation of the System.

ARTICLE VIII INSURANCE, DAMAGE AND DESTRUCTION

Section 8.1 Insurance. The Local Government shall maintain or cause to be maintained insurance against such risks as are customarily insured against by public bodies operating systems of similar in size and character to the System, including, without limitation:

(a) Insurance in the amount of the full replacement cost of the System's insurable portions against loss or damage by fire and lightning, with broad form extended coverage endorsements covering damage by windstorm, explosion, aircraft, smoke, sprinkler leakage, vandalism, malicious mischief and such other risks as are normally covered by such endorsements (limited only as may be provided in the standard form of such endorsements at the time in use in Virginia). The determination of replacement cost shall be made, in conjunction with representatives of the Local Government, by a recognized appraiser or insurer selected by the Local Government and reasonably acceptable to VRA.

(b) Comprehensive general liability insurance with a combined single limit of \$1,000,000 per year against liability for bodily injury, including death resulting therefrom, and for damage to property, including loss of its use, arising out of the ownership, maintenance, operation or use of the System.

(c) Unless the Local Government qualifies as a self-insurer under Virginia law, worker's compensation insurance.

Neither VRA nor the Trustee shall have any responsibility or obligation with respect to (i) the procurement or maintenance of insurance or the amounts or the provisions with respect to policies of insurance or (ii) the application of the proceeds of insurance.

The Local Government shall provide annually to VRA a certificate or certificates of the respective insurers evidencing the fact that the insurance required by this Section is in force and effect.

Section 8.2 Requirements of Policies. The Local Government shall maintain all insurance required by Section 8.1 with generally recognized responsible insurance companies

selected by the Local Government and reasonably acceptable to VRA. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other utility systems of like size and character to the System. If the Local Government does not maintain such insurance with an insurer licensed to do business in Virginia or placed under the requirements of the Virginia Surplus Lines Insurance Law, Chapter 48, Title 38.2, Code of Virginia of 1950, as amended, or any successor statute, the Local Government shall provide evidence reasonably satisfactory to VRA that such insurance is enforceable under Virginia law.

Section 8.3 Notice of Damage, Destruction or Condemnation. In case of (i) any damage to or destruction of any material part of the Related Financed Property and the System, (ii) a taking of all or any part of the Related Financed Property and the System or any right in it under the exercise of the power of eminent domain, (iii) any loss of the Related Financed Property and the System because of failure of title or (iv) the commencement of any proceedings or negotiations which might result in such a taking or loss, the Local Government shall notify VRA in writing within ten Business Days of the occurrence describing generally the nature and extent of such damage, destruction, taking, loss, proceedings or negotiations.

Section 8.4 Damage and Destruction. If all or any part of the Related Financed Property and the System is destroyed or damaged by fire or other casualty, and the Local Government shall not have exercised its option, if such option is available, to redeem the outstanding Local Bond pursuant to Section 6.2, the Local Government shall restore promptly the property damaged or destroyed to substantially the same condition as before such damage or destruction, with such alterations and additions as the Local Government may determine and which will not impair the capacity or character of the Related Financed Property and the System for the purposes for which it then is being used or is intended to be used. The Local Government may apply so much as may be necessary of the net proceeds of insurance received on account of any such damage or destruction to payment of the cost of such restoration, either on completion or as the work progresses. If such net proceeds are not sufficient to pay in full the cost of such restoration, the Local Government shall pay so much of the cost as may be in excess of such net proceeds.

Section 8.5 Condemnation and Loss of Title. If title to or the temporary use of all or any part of the System shall be taken under the exercise of the power of eminent domain or lost because of failure of title, and the Local Government shall not have exercised its option, if such option is available, to redeem the outstanding Local Bond pursuant to Section 6.2, the Local Government shall cause the net proceeds from any such condemnation award or from any title insurance to be applied to the restoration of the System to substantially its condition before the exercise of such power of eminent domain or failure of title. If such net proceeds are not sufficient to pay in full the cost of such restoration, the Local Government shall pay so much of the cost as may be in excess of such net proceeds.

ARTICLE IX SPECIAL COVENANTS

Section 9.1 Tax Covenants. The Local Government shall not directly or indirectly use or permit the use of any of the proceeds of the Local Bond or any other of its funds, in such manner as would, or enter into, or allow any other person or entity to enter into, any

arrangement, formal or informal, that would, or take or omit to take any other action that would, cause interest on any of the Related Series of VRA Bonds to be includable in gross income for federal income tax purposes or to become a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Insofar as the Local Tax Document imposes duties and responsibilities on the Local Government, including the payment of any arbitrage rebate in respect of the Related Series of VRA Bonds, as of the Closing Date they are specifically incorporated by reference into this Agreement. The Local Government also consents to the calculation of any "rebate amount" to be paid with respect to the Related Portion of VRA Bonds by a rebate calculation service selected by VRA.

Section 9.2 Maintenance of Existence. The Local Government shall maintain its existence as a public body corporate and politic and a political subdivision of the Commonwealth under Virginia law, and shall not dissolve or otherwise dispose of all or substantially all of its assets or consolidate or merge with or into another entity without VRA's prior written consent, which consent will not be unreasonably withheld.

Section 9.3 Financial Records and Statements. The Local Government shall maintain proper books of record and account in which proper entries shall be made in accordance with generally accepted government accounting standards, consistently applied, of all its business and affairs. The Local Government shall have an annual audit of the financial condition of the Local Government made by an independent certified public accountant, within 180 days after the end of each Fiscal Year. The annual audit shall include a supplemental schedule demonstrating whether the Local Government satisfied the rate covenant set forth in Section 5.2. The Local Government shall furnish to VRA, in an electronic format, a copy of such report immediately after it is accepted by the Local Government. Such report shall include statements in reasonable detail, certified by such accountant, reflecting the System's financial position as of the end of such Fiscal Year and the results of the System's operations and changes in the financial position thereof for the Fiscal Year.

Section 9.4 Certification as to No Default and Tax Compliance. The Local Government shall deliver to VRA, within 180 days after the close of each Fiscal Year, a certification in substantially the form attached as Exhibit G and signed by a Local Representative.

Section 9.5 Further Assurances. The Local Government shall to the fullest extent permitted by law pass, make, do, execute, acknowledge and deliver such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming the rights and collateral, if any, assigned or pledged by this Agreement, or as may be required to carry out the purposes of this Agreement. The Local Government shall at all times, to the fullest extent permitted by law, defend, preserve and protect the pledges made under this Agreement and all rights of VRA under this Agreement against all claims and demands of all persons, including without limitation the payment of certain costs of VRA as described in Section 6.1(a)(5).

Section 9.6 Assignment by Local Government. The Local Government shall not assign its rights and obligations under the Local Bond or this Agreement, or both, without the prior written consent of VRA.

Section 9.7 Continuing Disclosure. (a) For purposes of this Section 9.7, the following terms and phrases have the following meanings:

"Annual Financial Information" with respect to any Fiscal Year for the Local Government means the following:

(i) the financial statements (consisting of at least a balance sheet and a statement of revenues and expenses) of the System, which financial statements must be (A) prepared annually in accordance with generally accepted accounting principles in effect from time to time consistently applied (provided that nothing in this clause (A) will prohibit the Local Government after the date of this Agreement from changing such other principles so as to comply with generally accepted accounting principles as then in effect or to comply with a change in applicable law) and (B) audited by an independent certified public accountant or firm of such accountants in accordance with generally accepted auditing standards as in effect from time to time (provided that if audited financial statements are not available for filing when required by this Section or the Rule (as defined herein), unaudited financial statements will be filed and audited financial statements will be filed as soon as possible thereafter); and

(ii) operating data of the type set forth in Exhibit E.

"Dissemination Agent" means any person, reasonably acceptable to VRA, whom the Local Government contracts in writing to perform its obligations as provided in subsection (i) of this Section.

"Make Public" or **"Made Public"** has the meaning set forth in subsection (c) of this Section.

"Material Local Government" means the Local Government if the aggregate outstanding principal amount of the Local Bond and any other of the Local Government's local bonds purchased with proceeds of the VRA Bonds represent 15% or more of the outstanding aggregate principal amount of the local bonds purchased with proceeds of the VRA Bonds.

"Rule" means Rule 15c2-12, as it may be amended from time to time, under the Securities Exchange Act of 1934 and any similar rules of the SEC relating to disclosure requirements in the offering and sale of municipal securities, all as in effect from time to time.

"SEC" means the U.S. Securities and Exchange Commission.

(b) The Local Government shall Make Public or cause to be Made Public:

(1) Within seven months after the end of the Local Government's Fiscal Year (commencing with the Fiscal Year in which the Closing Date occurs), Annual Financial Information for such Fiscal Year as of the end of which the Local Government constitutes a Material Local Government. Annual Financial Information may be set forth in the documents Made Public or may be included in a document Made Public by specific reference to any document available to the public on the internet website of the Municipal Securities Rulemaking Board ("MSRB") or filed with the SEC. If the document referred to is a final official statement, then it must be available from the MSRB.

(2) In a timely manner, notice of any failure by the Local Government to Make Public or cause to be Made Public Annual Financial Information pursuant to the terms of part (1) of this subsection.

(c) For purposes of this Section, information and notices shall be deemed to have been "Made Public" if transmitted to VRA, to the Trustee and to the MSRB in an electronic format as prescribed by the MSRB.

(d) The Local Government shall also notify VRA of the occurrence of any of the following events that may from time to time occur with respect to the Local Bond, such notice to be given in a timely manner not in excess of five Business Days after the occurrence of the event:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on any credit enhancement maintained with respect to the Local Bond reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 – TEB) or other notices or determinations with respect to the Local Bond that could affect the tax status of the Related Series of VRA Bonds, or other events with respect to the Local Bond that could affect the tax status of the Related Series of VRA Bonds;
- (7) modifications to rights of holders;
- (8) bond calls and tender offers;
- (9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Local Bond;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Local Government;

(13) the consummation of a merger, consolidation, or acquisition involving the Local Government or the sale of all or substantially all of the assets of the Local Government, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such action, other than pursuant to its terms;

(14) appointment of a successor or additional trustee for the Local Bond, if any, or the change of name of a trustee; and

(15) the failure of the Local Government on or before the date required by this Agreement to provide Annual Financial Information to the persons and in the manner required by this Agreement.

(e) Additionally, upon request of VRA, the Local Government shall certify in writing that it has made all filings and disclosures under this Section or any similar undertaking pursuant to the Rule.

(f) Notwithstanding anything in this Agreement to the contrary, the Local Government need not comply with the provisions of subsections (a) through (d) above unless and until VRA has notified the Local Government that it satisfied the objective criteria for a Material Local Government as of the end of VRA's immediately preceding fiscal year.

(g) (1) If the Local Government fails to comply with any covenant or obligation set forth in this Section, any holder (within the meaning of the Rule) of VRA Bonds then Outstanding may, by notice to the Local Government, proceed to protect and enforce its rights and the rights of the other holders by an action for specific performance of the Local Government's covenants or obligations set forth in this Section.

(2) Notwithstanding anything herein to the contrary, any failure of the Local Government to comply with any disclosure obligation specified in this Agreement (i) shall not be deemed to constitute an Event of Default under this Agreement and (ii) shall not give rise to any right or remedy other than that described in part (1) of this subsection.

(h) The Local Government may from time to time disclose certain information and data in addition to that required under this Section. Notwithstanding anything in this Agreement to the contrary, the Local Government shall not incur any obligation to continue to provide, or to update, such additional information or data.

(i) The Local Government may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligation to cause to be Made Public the information described in this Section and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. It is not necessary for purposes of this Article that the Dissemination Agent have any agency relationship with the Local Government for purposes of state law.

(j) All documents Made Public under this Section shall be accompanied by identifying information as prescribed by the MSRB.

Section 9.8 Other Indebtedness. The Local Government shall pay when due all amounts required by any other indebtedness of the Local Government and perform all of its obligations in connection with all other indebtedness of the Local Government.

Section 9.9 Additional Indebtedness. The Local Government shall not incur any indebtedness or issue any bonds, notes or other evidences of indebtedness secured by a pledge of Revenues, except Parity Bonds or Subordinate Debt issued in accordance with the terms and conditions of this Section 9.9:

(a) The Local Government may issue Parity Bonds to (i) pay the cost of the acquisition or construction of improvements, extensions, additions or replacements to equipment or betterments of and any property, rights or easements deemed by the Local Government to be necessary, useful or convenient for the System or to refund Subordinate Debt, (ii) refund some or all of the Local Bond (subject to the conditions of Section 6.2) or any other Parity Bond or (iii) effect some combination of (i) and (ii), provided in each case the following conditions are satisfied. Before any Parity Bond is issued or delivered, the Local Government shall deliver to VRA the following in form and substance satisfactory to VRA:

(1) Certified copies of all resolutions and ordinances of the Local Government authorizing the issuance of the Parity Bond.

(2) A certificate of a Local Representative setting forth the purposes for which the Local Government is issuing the Parity Bond and the manner in which the Local Government will apply the proceeds from the issuance and sale of the Parity Bond.

(3) If the Parity Bond is authorized for any purpose other than the refunding of the Local Bond or other Parity Bond, a certificate including supporting documentation of a Qualified Independent Consultant to the effect that (i) the improvements or property which the proceeds from the issuance of the Parity Bond will finance or refinance will be a part of, or are necessary, useful or convenient for, the System, (ii) the funds available to the Local Government from the issuance of the Parity Bond and other specified sources will be sufficient to pay the estimated cost of such improvements or property (or refinancing the same), (iii) the period of time which will be required to complete such improvements or property, and (iv) (A) the failure to make such improvements or acquire or construct such property will result in an interruption or reduction, or the continuance of an interruption or reduction, of Revenues, or (B) during the first two complete Fiscal Years following the completion of the improvements or the

acquisition or construction of the property (or refinancing the same), the projected Net Revenues Available for Debt Service will satisfy the rate covenant of Section 5.2. In providing this certificate, the Qualified Independent Consultant may take into consideration future System rate increases, provided that such rate increases have been duly approved by the Local Government's governing body and any other person and entity required to give approval for the rate increase to become effective. In addition, the Qualified Independent Consultant may take into consideration additional future Revenues to be derived under then existing contractual agreements entered into by the Local Government and from reasonable estimates of growth in the Local Government's customer base. In providing the certification in subsection (iv)(B) above, the Qualified Independent Consultant shall include supporting documentation.

(4) If the Parity Bond is authorized solely to refund any Local Bond or other Parity Bonds either (i) a certificate or report of a Qualified Independent Consultant that the refunding Parity Bond will have annual debt service requirements in each of the years the Local Bond or the other Parity Bonds to be refunded (the "Refunded Bonds") would have been outstanding that is lower than the annual debt service requirements in each such year on the Refunded Bonds, or (ii) a certificate of a Qualified Independent Consultant to the effect that in its opinion, during the first two complete Fiscal Years following the issuance of the refunding Parity Bond, the projected Net Revenues Available for Debt Service will satisfy the rate covenant of Section 5.2. In providing the certificate described in clause (ii), the Qualified Independent Consultant may take into account the positive factors described in the last two sentences of subsection (a)(3) of this Section.

(5) If requested by VRA, an opinion of a nationally-recognized bond counsel, subject to customary exceptions and qualifications, approving the form of the resolution authorizing the issuance of the Parity Bond and stating that its terms and provisions conform with the requirements of this Agreement, that the certificates and documents delivered to VRA constitute compliance with the provisions of this Section, and that the issuance of the Parity Bond will have no adverse effect on the exclusion of the interest on the Related Series of VRA Bonds from gross income for federal income tax purposes and not cause interest on the Related Series of VRA Bonds to become a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

(b) If the Local Government is unable or unwilling to satisfy the conditions set forth in subsection (b) to the issuance and delivery of any issue of Parity Bonds, VRA may determine, in its sole discretion, to waive any or all of such conditions.

Section 9.10 Litigation; Material Change. The Local Government shall promptly notify VRA of (i) the existence and status of any litigation that County Attorney or general counsel to the Local Government determines is not reasonably certain to have a favorable outcome and which individually or in the aggregate could have a material adverse effect on the financial condition or operations of the System or its ability to perform its payment and other obligations under this Agreement or the Local Bond or (ii) any change in any material fact or circumstance represented or warranted in this Agreement.

**ARTICLE X
DEFAULTS AND REMEDIES**

Section 10.1 Events of Default. Each of the following events is an "Event of Default":

(a) The failure to pay any installment of principal of or premium, if any, on the Local Bond when due (whether at maturity, by mandatory or optional redemption, by acceleration or otherwise).

(b) The failure to pay any installment of interest (including Supplemental Interest) on the Local Bond when due.

(c) The failure to make any other payment or deposit required by this Agreement within 15 days after its due date.

(d) The Local Government's failure to perform or observe any of the other covenants, agreements or conditions of the Local Bond or this Agreement and the continuation of such failure for a period of 60 days after written notice specifying such failure and requesting that it be cured is given to the Local Government by VRA, or, in the case of any such failure which cannot with diligence be cured within such 60-day period, the Local Government's failure to proceed promptly to commence to cure the failure and thereafter to prosecute the curing of the failure with diligence.

(e) Any warranty, representation or other statement by or on behalf of the Local Government contained in this Agreement or in any instrument furnished in compliance with or in reference to this Agreement or in connection with the issuance and sale of the Local Bond is false and misleading in any material respect.

(f) Any bankruptcy, insolvency or other similar proceeding shall be instituted by or against the Local Government under any federal or state bankruptcy or insolvency law and, if instituted against the Local Government, is not dismissed within 60 days after filing.

(g) Any proceeding shall be instituted, with the Local Government's consent or acquiescence, for the purpose of effecting a composition between the Local Government and its creditors or for the purpose of adjusting such creditors' claims under any federal or state statute now or hereafter enacted, if such claims are under any circumstances payable from the Revenues.

(h) An order or decree shall be entered, with the Local Government's consent or acquiescence, appointing a receiver or receivers of the System or any part of it or of the Revenues, or if such order or decree, having been entered without the Local Government's consent or acquiescence, shall not be vacated or discharged or stayed on appeal within 60 days after its entry.

(i) The occurrence of a default by the Local Government under the terms of any debt secured by a pledge of Revenues and the failure to cure such default or obtain a waiver thereof within any period of time permitted thereunder.

Section 10.2 Acceleration. Upon the occurrence and continuation of an Event of Default, VRA may, by notice in writing delivered to the Local Government, declare the entire unpaid principal of and interest on the Local Bond due and payable. Upon any such declaration, the Local Government shall immediately pay to the Trustee the entire unpaid principal of and accrued interest on the Local Bond, but only from the collateral and other funds specifically pledged hereby. VRA may in its discretion waive an Event of Default and its consequences and rescind any acceleration of maturity of principal of and interest on the Local Bond.

Section 10.3 Other Remedies. Upon the occurrence and continuation of an Event of Default, VRA may proceed to protect and enforce its rights by mandamus or other action, suit or proceeding at law or in equity for specific performance of any agreement contained in the Local Bond or this Agreement. No remedy conferred by this Agreement upon or reserved to the registered owners of the Local Bond is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to VRA under this Agreement or now or hereafter existing at law or in equity or by statute.

Section 10.4 Delay and Waiver. No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence in it, and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any default or Event of Default under this Agreement shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent to it.

ARTICLE XI MISCELLANEOUS

Section 11.1 State Aid Intercept. The Local Government acknowledges that VRA has covenanted under the Master Indenture to take any and all actions available to it under the laws of the Commonwealth, including the invocation of the "state-aid intercept" provisions of Section 62.1-216.1 of the Act, to obtain any payment of the principal of and premium, if any, and interest on the Local Bond the County fails to make under the Support Agreement.

Section 11.2 Successors and Assigns. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 11.3 Amendments. VRA and the Local Government shall have the right to amend from time to time any of this Agreement's terms and conditions, provided that all amendments shall be in writing and shall be signed by or on behalf of VRA and the Local Government.

Section 11.4 Limitation of Local Government's Liability. Notwithstanding anything in the Local Bond or this Agreement to the contrary, the Local Government's obligations hereunder and under the Local Bond are not its general obligations, but are limited obligations payable solely from the Revenues which are specifically pledged for such purpose. Neither the Local Bond nor this Agreement shall be deemed to create or constitute a debt or a pledge of the faith and credit of the Local Government and the Local Government shall not be obligated to pay

the principal of or premium, if any, or interest on the Local Bond or other costs incident to them except from the Revenues and other funds pledged for such purpose. In the absence of fraud or intentional misconduct, no present or future director, official, officer, employee or agent of the Local Government shall be liable personally to VRA in respect of this Agreement or the Local Bond or for any other action taken by such individual pursuant to or in connection with the financing provided for in this Agreement or the Local Bond.

Section 11.5 Applicable Law. This Agreement shall be governed by Virginia law.

Section 11.6 Severability. If any clause, provision or section of this Agreement shall be held illegal or invalid by any court, the illegality or invalidity of such clause, provision or section shall not affect the remainder of this Agreement which shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained in this Agreement. If any agreement or obligation contained in this Agreement is held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of VRA and the Local Government, as the case may be, only to the extent permitted by law.

Section 11.7 Notices. Unless otherwise provided for herein, all demands, notices, approvals, consents, requests, opinions and other communications under the Local Bond or this Agreement shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class registered or certified mail, postage prepaid, addressed (a) if to the Local Government, at the address specified for notices on the signature page; (b) if to VRA, at 1111 East Main Street, Suite 1920, Richmond, Virginia 23219, Attention: Executive Director; or (c) if to the Trustee, at 1021 East Cary Street, 18th Floor, Richmond, Virginia 23219, Attention: Corporate Trust Department. A duplicate copy of each demand, notice, approval, consent, request, opinion or other communication given by any party named in this Section shall also be given to each of the other parties named. VRA, the Local Government and the Trustee may designate, by notice given hereunder, any further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or persons to whose attention the same shall be directed.

Section 11.8 Right to Cure Default. If the Local Government fails to make any payment or to perform any act required by it under the Local Bond or this Agreement, VRA or the Trustee, without prior notice to or demand upon the Local Government and without waiving or releasing any obligation or default, may (but shall be under no obligation to) make such payment or perform such act. All amounts so paid by VRA or the Trustee and all costs, fees and expenses so incurred shall be payable by the Local Government as an additional obligation under this Agreement, together with interest thereon at the rate of 15% per year until paid. The Local Government's obligation under this Section shall survive the payment of the Local Bond.

Section 11.9 Term of Agreement. This Agreement is effective as of the Effective Date. Except as otherwise specified, the Local Government's obligations under the Local Bond and this Agreement shall expire upon payment in full of the Local Bond and all other amounts payable by the Local Government under this Agreement.

Section 11.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

[Signature Pages Follow]

WITNESS the following signatures, all duly authorized.

VIRGINIA RESOURCES AUTHORITY

By: _____
Stephanie L. Hamlett, Executive Director

**GREENSVILLE COUNTY WATER AND
SEWER AUTHORITY**

By: _____
Name: _____
Title: _____

Address for Notices:

Attention: _____

The Trustee, by the execution hereof, accepts the duties imposed on it by this Agreement.

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Patricia A. Welling, Vice President

EXHIBIT A
FORM OF LOCAL BOND

[To be provided by Local Bond Counsel]

EXHIBIT B

DESCRIPTION OF THE PROJECT

[To be provided by Local Government]

EXHIBIT C

**PENDING OR THREATENED ACTIONS, SUITS, PROCEEDINGS, OR
INVESTIGATIONS**

[To be provided by Counsel for the Local Government]

EXHIBIT D

FORM OF REQUISITION

Requisition No.

Date:

U.S. Bank National Association, as Trustee
Attention: Corporate Trust Department
1021 East Cary Street
18th Floor
Richmond, Virginia 23219

Virginia Resources Authority
1111 East Main Street
Suite 1920
Richmond, Virginia 23219
Attention: Executive Director

This Requisition, including Schedule 1 and Schedule 2 hereto, is submitted in connection with the Local Bond Sale and Financing Agreement dated as of June 17, 2016 (the "Financing Agreement") between the Virginia Resources Authority and the Greensville County Water and Sewer Authority (the "Local Government"). Unless otherwise defined in this Requisition, each capitalized term used herein has the meaning given it under Article I of the Financing Agreement. The undersigned Local Representative hereby requests payment of the following amounts from the Local Account established for the Local Government in the 2016B Acquisition Fund established under the Thirty-Sixth Supplemental Series Indenture.

Payee (including wiring instructions if receiving electronic payment):

Address:

Amount to be paid:

Purpose (in reasonable detail) for which obligations(s) to be paid were incurred:

Attached on Schedule 2 are the wire instructions for this requisition, and also attached hereto is an invoice (or invoices) relating to the items for which payment is requested.

The undersigned certifies that (i) the amounts requested by this Requisition will be applied in accordance with the Local Tax Document and solely and exclusively to the payment, or the reimbursement of the Local Government for its payment, of Project Costs of the construction portion of the Project, (ii) no notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the money payable under the Requisition to any of the persons, firms or corporations named in it has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of the Requisition, and (iii) this Requisition contains no items representing payment on account of any retained percentage entitled to be retained at this date.

If this Requisition includes payments for labor or to contractors, builders or materialmen, the attached Certificate of Consulting Engineer must be completed. If this Requisition includes payments for any lands or easements, rights or interest in or relating to lands, the attached Certificate of the Consulting Engineer must be completed and there must be attached to this Requisition a certificate signed by a Local Representative stating that upon payment therefor the Local Government will have title in fee simple to, or easements, rights or interests sufficient for the purposes of the construction portion of the Project over or through such lands.

The Local Government has agreed in the Financing Agreement that any amounts it receives pursuant to this Requisition will be (i) immediately applied to reimburse the Local Government for Project Costs it has already paid or (ii) actually spent to pay Project Costs not later than five banking days after receipt.

Local Representative

SCHEDULE 1

Form to Accompany Requisition

Requisition # _____
 Recipient: Greensville County Water and Sewer Authority – VRA 2016B
 Local Representative: _____
 Title: _____
 Date: _____

<u>Cost Category</u>	<u>Total Project Cost</u>	<u>Previous Disbursements</u>	<u>Disbursement This Period</u>	<u>Disbursements to Date</u>	<u>Remaining Balance</u>
	\$	\$	\$	\$	\$
TOTALS	\$	\$	\$	\$	\$

SCHEDULE 2

Wire Instructions for Requisition

[To be provided by the Local Government]

CERTIFICATE OF CONSULTING ENGINEER

The undersigned Consulting Engineer for the Local Government hereby certifies that (i) insofar as the amounts covered by this Requisition include payments for labor or to contractors, builders or materialmen, such work was actually performed or such materials, supplies or equipment were actually furnished or installed in or about the Project, and (ii) insofar as the amounts covered by the Requisition include payments for land or easements, rights or interests in or relating to lands, such lands, easements, rights or interests are being acquired and are necessary or convenient for the undertaking and completion of the Project.

Date: _____, 20__

Consulting Engineer

EXHIBIT E
OPERATING DATA

Description of Local Government. A description of the Local Government including a summary description of the System.

Debt. A description of the terms of the Local Government's outstanding debt including a historical summary of outstanding debt and a summary of annual debt service on outstanding debt as of the end of the preceding fiscal year. The annual disclosure should also include (to the extent not shown in the latest audited financial statements) a description of contingent obligations as well as pension plans administered by the Local Government and any unfunded pension liabilities.

Financial Information and Operating Data. Financial information for the System as of the end of the preceding fiscal year, including a description of revenues and expenditures, largest users, a summary of rates, fees and other charges of the System, and a historical summary of debt service coverage.

EXHIBIT F

FORM OF OPINION OF COUNSEL TO THE LOCAL GOVERNMENT

[Print on the Letterhead of Counsel for the Local Government]

August 10, 2016

Board of Directors
Greensville County Water and Sewer Authority

Virginia Resources Authority
Richmond, Virginia

§ _____
Greensville County Water and Sewer Authority
[Name of Local Bond]

Ladies and Gentlemen:

I have acted as counsel to the Greensville County Water and Sewer Authority, Virginia (the "Local Government"), in connection with the issuance and sale by the Local Government of its \$ _____ [Name of Local Bond] (the "Local Bond"), the net proceeds of which will be applied to finance the Project (as defined in the hereafter defined Financing Agreement) and in such capacity, I have examined, among other things, the following documents:

- (a) a certified copy of the Local Authorization, authorizing the issuance and sale of the Local Bond to Virginia Resources Authority ("VRA") to finance the Project;
- (b) a copy of the Local Bond Sale and Financing Agreement (the "Financing Agreement") dated as of June 17, 2016, and between the Local Government and VRA; and
- (c) a copy of the Local Tax Document and the Support Agreement.

The documents referred to in clauses (b) and (c) above are referred to collectively as the "Local Bond Documents."

I have also examined such other records and proceedings of the Local Government and conducted such investigations as I deemed appropriate and necessary for purposes of this opinion.

Unless otherwise defined, each capitalized term used in this opinion has the same meaning given to such term in the Financing Agreement.

As to questions of fact material to the opinions and statements set forth herein, I have relied upon representations of the Local Government set forth in the Local Bond Documents and other certificates and representations by persons including representatives of the Local Government. Whenever an opinion or statement set forth herein with respect to the existence or absence of facts is qualified by the phrase "to the best of my knowledge" or a phrase of similar import, it is intended to indicate that during the course of my representation of the Local Government in connection with the Local Bond Documents no information has come to my attention that should give me current actual knowledge of the existence or absence of such facts. Except to the extent expressly set forth herein, I have not undertaken any independent investigation of the existence or absence of such facts, and no inference as to my knowledge or the existence or absence of such facts should be drawn from the fact of my representation or any other matter.

Based upon such examination and assuming the authorization, execution, delivery and enforceability of all documents by parties other than the Local Government, I am of the opinion that:

1. The Local Government is a duly created and validly existing public body corporate and politic and a political subdivision of the Commonwealth and is vested with the rights and powers conferred upon it by Virginia law.

2. The Local Government has full right, power and authority to (i) adopt the Local Authorization and execute and deliver the Local Bond Documents and all related documents, (ii) undertake the Project and (iii) carry out and consummate all of the transactions contemplated by the Local Authorization and the Local Bond Documents, including owning and operating the System.

3. The Local Bond Documents were duly authorized by the Local Authorization and the Financing Agreement is in substantially the same form as presented to the Governing Body at its meeting at which the Local Authorization was adopted.

4. All governmental permits, licenses, registrations, certificates, authorizations and approvals required to have been obtained as of the date hereof have been obtained for (i) the Local Government's adoption of the Local Authorization, (ii) the execution and delivery of the Local Bond Documents and the Local Bond, (iii) the Local Government's performance of its obligations under the Local Bond Documents and the Local Bond, and (iv) to the best of my knowledge, the operation and use of the Related Financed Property and the System. I know of no reason why any such required governmental permits, licenses, registrations, certificates, authorizations or approvals cannot be obtained as required in the future.

5. The Financing Agreement has been executed and delivered by duly authorized officials of the Local Government and constitutes a legal, valid and binding obligation of the Local Government enforceable against the Local Government in accordance with its terms. The Local Bond has been executed and delivered by duly authorized officials of the Local Government and will constitute a legal, valid and binding limited obligation of the Local Government enforceable against the Local Government in accordance with its terms.

The obligations of the Local Government under the Financing Agreement and the Local Bond, and the enforceability of such obligations, may be limited or otherwise affected by (i) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (ii) principles of equity, whether considered at law or in equity, (iii) the exercise of sovereign police powers of the Commonwealth, and (iv) rules of law which may limit the enforceability on public policy grounds of any obligations of indemnification undertaken by the Local Government.

6. The issuance of the Local Bond and the execution and delivery of the Local Bond Documents and the performance by the Local Government of its obligations thereunder are within the powers of the Local Government and will not conflict with, or constitute a breach or result in a violation of (i) any federal or Virginia constitutional or statutory provision, (ii) to the best of my knowledge, any agreement or other instrument to which the Local Government is a party or by which it is bound or (iii) any order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Local Government or its property.

7. The Local Government, to the best of my knowledge, is not in default in the payment of the principal of or interest on any of its indebtedness for borrowed money and is not in default under any instrument under and subject to which any indebtedness for borrowed money has been incurred. To the best of my knowledge, no event or condition has happened or existed, or is happening or existing, under the provisions of any such instrument, including but not limited to the Financing Agreement, which constitutes, or which, with notice or lapse of time, or both, would constitute an event of default thereunder.

8. The Local Government (i) to the best of my knowledge, is not in violation of any existing law, rule or regulation applicable to it in any way which would have a material adverse effect on its financial condition or its ability to perform its obligations under the Local Bond or the Local Bond Documents and (ii) is not in default under any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which the Local Government is a party or by which it is bound or to which any of its assets is subject, which would have a material adverse effect on its financial condition or its ability to perform its obligations under the Local Bond and the Local Bond Documents. The execution and delivery by the Local Government of the Local Bond and the Local Bond Documents and the compliance with the terms and conditions thereof will not conflict with, result in a breach of or constitute a default under any of the foregoing.

9. Except as set forth in the Financing Agreement, there are not pending nor, to the best of my knowledge, threatened against the Local Government, any actions, suits, proceedings or investigations of a legal, equitable, regulatory, administrative or legislative nature (i) affecting the creation, organization or existence of the Local Government or the title of its officers to their respective offices, (ii) seeking to prohibit, restrain or enjoin the approval, execution, delivery or performance of the Local Authorization or the Local Bond Documents or the issuance or delivery of the Local Bond, (iii) in any way contesting or affecting the validity or enforceability of the Local Bond, the Local Authorization, the Local Bond Documents or any agreement or instrument relating to any of the foregoing, (iv) in which a judgment, order or resolution may have a material adverse effect on the Local Government or its business, assets, condition

(financial or otherwise), operations or prospects or on its ability to perform its obligations under the Local Authorization, the Local Bond Documents or the Local Bond, or (v) affecting the undertaking of the Project.

Very truly yours,

EXHIBIT G

FORM OF CERTIFICATION AS TO NO DEFAULT AND TAX COMPLIANCE

[DATE]

[Insert Name]
Compliance & Financial Analyst
Virginia Resources Authority
1111 East Main Street, Suite 1920
Richmond, VA 23219

Dear [Mr./Ms.] _____:

In accordance with Section 9.4 of the Local Bond Sale and Financing Agreement dated as of June 17, 2016 (the "Financing Agreement") between Virginia Resources Authority and the Greensville County Water and Sewer Authority (the "Local Government"), I hereby certify that, during the fiscal year that ended June 30, _____, and through the date of this letter:

1. [No event or condition has happened or existed, or is happening or existing, which constitutes, or which, with notice or lapse of time, or both, would constitute, an Event of Default as defined in Section 10.1 of the Financing Agreement.] [If an Event of Default has occurred, please specify the nature and period of such Event of Default and what action the Local Government has taken, is taking or proposes to take to rectify it].
2. [The ownership and status of all or a portion of the Related Financed Property has not changed since the Closing Date.] [If untrue, please describe.]
3. [Neither the Related Financed Property nor any portion thereof is being used by a Nongovernmental Person pursuant to a lease, an incentive payment contract or a take-or-pay or other output-type contract.] [If untrue, please describe.]
4. [Neither the Related Financed Property nor any portion or function thereof is being used pursuant to or is otherwise subject to a Service Contract that does not satisfy the requirements of Revenue Procedure 97-13, as modified by Revenue Procedure 2001-39 and IRS Notice 2014-67.] [If untrue, please describe.]
5. [Other than as may be described in paragraphs 2, 3 and 4 above, neither the Related Financed Property nor any portion or function thereof nor any portion of the Proceeds is being used for a Private Business Use.] [If untrue, please describe.]

6. [The Local Government has not used or permitted the use of any Proceeds of the Local Bond directly or indirectly to make a loan to an ultimate borrower other than itself within the meaning of Section 4.3 of the Local Tax Document.] [If untrue, please describe.]
7. [Other than any amounts described in the Local Tax Document (as defined in the Financing Agreement), between VRA and the Local Government and amounts that may constitute or be on deposit in a Bona Fide Debt Service Fund, there neither have been nor are now any moneys, securities, obligations, annuity contracts, residential rental property, AMT Bonds, investment-type property, Sinking Funds, Pledged Funds, or other Replacement Proceeds accumulated or held or pledged as security by the Local Government or any other Substantial Beneficiary of the Local Bond as security for or the direct or indirect source of the payment of the principal of or interest on the Local Bond.] [If untrue, please describe.]
8. [The Local Government is in compliance with the recordkeeping requirements of Section 4.9 of the Local Tax Document.] [If untrue, please describe.]
9. [Other than as may be described above, the Local Government is not in default of any of its obligations under the Local Tax Document.] [If untrue, please describe.]
10. Unless otherwise defined herein, each capitalized term used herein has the meaning set forth in the Local Tax Document.

Sincerely,

[Insert Name]
Local Representative

EXHIBIT H
DESCRIPTION OF SPECIAL USE ARRANGEMENTS

EXHIBIT I
FORM OF ANNUAL BUDGET

[DATE]

Executive Director
Virginia Resources Authority
1111 East Main Street, Suite 1920
Richmond, VA 23219

Ladies and Gentlemen:

Pursuant to the Financing Agreement[s] between Virginia Resources Authority and the Greensville County Water and Sewer Authority, dated as of [add dates of all outstanding Financing Agreements], a copy of the fiscal year [20xx] annual budget is enclosed. Such annual budget provides for the satisfaction of the rate covenant as demonstrated below.

<u>Revenues</u>	<u>Operation & Maintenance Expenses</u>	<u>Net Revenues Available for Debt Service</u> (Revenues – O&M Expenses)	<u>Debt Service</u>	<u>*Coverage</u> (Net Revenues Available for Debt Service/Debt Service)
-----------------	---	---	---------------------	--

Unless otherwise defined herein, the capitalized terms used in this Certificate shall have the meanings set forth in the Financing Agreement[s].

Very truly yours,

By: _____

Its: _____

EXHIBIT J
EXISTING PARITY BONDS

\$235,629 Water and Sewer System Revenue Bond, Series 2003

\$4,435,000 Water and Sewer System Revenue Refunding Bond, Series 2010

\$1,640,000 Water and Sewer System Revenue Bond, Series of 2011

\$2,105,000 Water and Sewer System Revenue Refunding Bond, Series of 2013

\$2,540,000 Water and Sewer System Revenue and Refunding Bond, Series 2014

SCHEDULE 1.1

FINAL TERMS

Principal Amount of Related Series of VRA
Bonds

Principal Amount of Local Bond

Purchase Price

Local Debt Service Reserve Requirement

The Purchase Price was determined as follows: by adding to the par amount of the portion of the Related Series of VRA Bonds (\$ _____), the Local Government's share of the net premium on the Related Series of VRA Bonds (\$ _____) and by subtracting from the par amount of the Related Series of VRA Bonds the Local Government's share of VRA's Expenses set forth in Section 3.2 (\$ _____) and the Local Government's share of the deposit on the Closing Date to a VRA Reserve (\$ _____).

ADDITIONAL CONDITIONS PRECEDENT TO PURCHASE OF LOCAL BOND:

**ADDITIONAL CONDITIONS PRECEDENT TO FIRST REQUISITION OF PROCEEDS
OF LOCAL BOND:**

PROJECT BUDGET

Sources

Par Amount
Premium
Estimated Earnings

Total Sources

Uses

Construction
Design & Engineering
Local Debt Service Reserve Fund
Deposit to Escrow Fund
Local Costs of Issuance
VRA Costs of Issuance
Capital Reserve Fund - Partial Allocation
Underwriter's Discount
Contingency

Total Uses

INTEREST RATES AND PAYMENT SCHEDULE FOR LOCAL BOND

**MINUTES
GCWSA STAFF MEETING
GOVERNMENT BLDG. 2ND FLOOR CONFERENCE ROOM
May 31, 2016 – 10:00 A.M.**

Present: David Whittington
Denise Banks-Chatman
Brenda Parson
Moses Clements
Glen Gibson
Gary Mitchell
Scott Nunnally
Alice Whitby

Absent: Kathie Little
Michael Smith

CAPITAL BUDGETS

- *8211 Remote Controller – A part of the Three Creek SCADA System.
- *9159 SCADA System – Glen stated that the selection committee had interviewed three SCADA contractors and all proposals were more than the \$140,000.00, the budgeted amount. He stated that Staff was working with Roy Cook for some of the electrical services to get back in budget. He also stated that they were approximately \$3,000.00 to \$4,000.00 over budget at the present time. He further stated that a tax exemption had been applied for and if that was approved then the proposed project would only be over budget approximately \$400.00.
- *68550 Exit 4 – Potable Water Storage I-95 – Glen stated that a quote would be provided to construct a fence at the new proposed location. He stated that the price had been update on the purchase of the tank and there was a small snag in the design of the foundation for the tank. He also stated that Dewberry was assisting with this issue and would be in contact with Staff this week to recommend a professional engineer to design the foundation for the tank. Glen stated that Roy Cook provided a quote on the electrical aspect of the project.

Completed - LONG TERM PROJECTS

- *68200 Rt. 301 Manhole Lift St Rehab
- *68500 Exit Four Well Integration Project

LONG TERM PROJECTS

- *68300 High Hills Pump Station – Moses stated that the piece of property had been acquired and the engineer was doing the design.

*69400 Jarratt WTP Sludge Handling Project – Glen stated that the notice of award was mailed out Friday, May 27, 2016, to Castle Heights. He stated that completion was expected in approximately 180 days.

GEORGIA PACIFIC

- A. Donation of water facilities – Dave stated that the agreement should be added to the Water & Sewer Authority Agenda.
- B. Provide the Land and Rights – Raw water mains for reservoir – Dave stated that a memo should be provided by Lin/Moses to GCWSA to simplify the situation and set forth exactly what action should be taken by the GCWSA.
- C. Sewer line Rehab/Monitoring Equipment – Dave stated that part of the issue was the sewer line from JM Club was no longer functioning. Gary stated that a problem had been located on the last section of the line; there was a crack in the pipe. He stated that he was obtaining a quote to realign the line.
- D. Water Intake Structure and raw water line – Glen stated that he had not seen a final agreement.

JARRATT WATER TREATMENT PLANT SLUDGE PROJECT

Jarratt WTP Sludge Handling Project – Glen stated that the notice of award was mailed out Friday, May 27, 2016, to Castle Heights. He stated that completion was expected in approximately 180 days.

RENEWAL OF THE THREE CREEK WASTEWATER TREATMENT PLANT PERMIT (NEW)

Glen stated the permit was due June 30, 2016. He stated that all sample results had been received.

RENEWAL OF THE JARRATT WASTEWATER TREATMENT PLANT PERMIT

Glen stated that the permit would have to be revoked and reissue that permit to remove the copper. He stated that the cost was \$10,560.

Dave asked Glen to check on the discharge amount and GCWSA should have demonstrated that they were complying with all DEQ regulations.

SMOKE TESTING SEWER SYSTEM

Gary stated that the testing was complete. He stated that the manholes had been prepared. He also stated that there were approximately 10 more inserts to order for the south side and have installed.

DOMINION UTILITIES

Dave stated that, on a preliminary basis, Contracts A – D should be put on the agenda. He stated that would be a plus when the Dominion Notice to Proceed and the Letter of Conditions, USDA, were received then an award could be made on those before mentioned contracts. He also stated that Brenda should contact Darlene, USDA, to advise of this action and if there could be anything done to get the Final Letter of Conditions prior to the GCWSA Board meeting on June 20, 2016.

Moses stated that Contract A, in his opinion, if not awarded at the June 20, 2016 meeting, may have to be re-bid. He stated that the contractor extended a window of 30 days that ends on June 21, 2016.

Moses stated that Contract E information had been submitted to DHCD regarding grant funding. He stated that a response had been received and DHCD was working on the grant and to use the amount of \$700,000 and paperwork had been submitted per DHCD request. He also stated that Contract E had been advertised and may have to be re-advertised.

Moses stated that he had received an email from Natalie regarding the EDA grant stating that an award was pending or had been already issued. He stated that the bid opening had been pushed back on Contract E until July 7, 2016, to allow for funding to be settled.

Moses stated that the finding of no significant impact was published in the local paper on May 29 and again on June 5, 2016. He stated that this was a requirement for using Rural Development funding and it was not just for reservoir and intake but also all of the line work. He also stated that this finding was sent out to all of the regulatory agencies and local government entities and it also was sent out to all adjacent land owners. He further stated that he had emailed the attorney with Boars Head notifying him of the findings.

Moses stated that he spoke with Peggy Jordan and as far as Rural Development was concerned, they would not be taking any further comments from Boars Head. He stated that all concerns had been addressed.

Moses stated that the engineer had been advertised for, proposals had been received to design the intake and the reservoir. He stated that only one proposal was received and that was from B & B. He also stated that he would contact the attorney and be sure that the project could move forward with only one proposal submitted.

ROCK QUARRY

No progress.

RADIUM REMOVAL AT SKIPPERS

Glen stated Russell had approved the contract with B&B Consultants and B&B had signed the engineering contract. He stated that he was waiting on the signed copies.

FORCEMAIN ISSUE I-95 Exit 4

Moses stated that he would like to replace some small diameter force main and would like to combine this project with the I-HOP Project as an addendum. He stated that he was unsure at this time if more funding would be needed. He also stated that it was estimated that the construction cost would be 30% higher than anticipated.

I-HOP

Moses stated the plans were complete. He stated that bids would be available at the first or second meeting in July 2016. He also stated that it would take at least six weeks for the engineer to design a waterline extension and Staff was under a crunch to finish by October 1, 2016. He further stated that he asked Randy Darden to send a proposal on the engineering and an addendum would be provided for the existing contract.

BOARS HEAD SPRAY IRRIGATION FIELDS

Dave stated that this item was complete and the amount of waste water was being reduced to 78,000 gallons a day and would eventually be reduced back to 50,000 gallons per day.

WALNUT HEIGHTS PHASE V

Moses stated that he had submitted an original estimate and layout to Alan Yates. He stated that Mr. Yates asked that a modification be made and resubmitted back to him. He also stated that Mr. Yates was evaluating his options on how to move forward with the creation of a subdivision.

NOTICE OF VIOLATION- SKIPPEPRS WASTEWATER PLANT

Glen stated that Staff was still waiting to hear back from DEQ. He stated that he would contact DEQ to determine the status.

FALLING RUN DISCHARGE

Glen stated that the permit was almost complete. He stated that it was advertised in the paper and Staff was waiting on any public comments that may be submitted. He also stated that once that was complete then the permit would be issued.

ADJOURNMENT

There being no further business, the meeting was adjourned.