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July 27, 2022

Ms. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
Mail Service Center 4325
Raleigh NC 27699 -4300

RE: Docket Nos. W-1130, Sub 11 and W-1333, Sub 0.

Dear Ms. Dunston:

At the public hearing held in these dockets on June 8, 2022 the Commission requested from Currituck Water and Sewer the submission of the service agreement between Envirolink and Currituck Water & Sewer and the agreement between Envirotech and Envirolink transferring operational responsibilities for the sewerage facilities in Eagle Creek. The purpose of this letter is to submit the requested agreements as late filed exhibits. Submitted as the first late filed exhibit (CWS Late-filed Exhibit 1) is the Envirolink Utility Management Service Agreement between Currituck Water & Sewer, LLC and Envirolink Inc. dated December 20, 2021. Submitted as the second late filed exhibit (CWS Late-filed Exhibit 2) is the Acquisition of the Assets of William G. Freed, Seller, by Envirolink Inc., Buyer, dated February 6, 2020. Please note that the second late filed exhibit is marked confidential and that a number of the provisions in the agreement have been redacted.

At the June 8, 2022 hearing the Commission requested that it be notified when the Second Amended Consent Judgment was executed and filed in the Currituck County Superior Court. The Second Amended Consent Judgment was signed by Judge Tillett on July 18, 2022 and filed with the Currituck County Superior Court.

Thank you for your attention to this matter.

Sincerely,
/s/ Edward S. Finley, Jr.
Edward S. Finley, Jr.
Counsel for Currituck Water
& Sewer

cc. Parties of Record

**Utility Management Service Agreement
Envirolink, Inc. and
Currituck Water & Sewer, LLC**

This Utility Management Service Agreement (hereinafter referred to as the “Agreement”) is made as of this 20th day of December, 2021 by and between **Envirolink, Inc.** a North Carolina corporation (hereinafter called “Envirolink”), and the **Currituck Water & Sewer, LLC**, a North Carolina limited liability company, (hereinafter called “CWS” or “Owner”). In this Agreement, Envirolink and the Owner are referred to collectively as the “Parties” and individually as a “Party.”

Witnesseth

WHEREAS, the Owner is a regulated utility in the State of North Carolina, and it is in the business of providing utility services to its customers including water and sewer;

WHEREAS, the Owner owns certain options to purchase utility assets, pursuant to the Purchase Agreements, as more fully described in Exhibit A (attached hereto and incorporated herein to this Agreement);

WHEREAS, the Owner is required to provide the managerial, technical, financial, planning, operational and maintenance capabilities in accordance with its incorporation in the State of North Carolina;

WHEREAS, the Owner has authority under the laws of the State of North Carolina and desires to enter into a professional services contract for the operations, maintenance, management of the Owner including the assets described in Exhibit A;

WHEREAS, Envirolink is in the business of providing managerial, technical, financial, planning, operational and maintenance services to owners of utility assets;

WHEREAS, Envirolink is capable of operating, maintaining and managing the Owner’s services on its behalf;

WHEREAS, Owner desires to engage Envirolink to provide such professional services; and

NOW THEREFORE in consideration of the mutual promises and of the rights, powers and duties hereinafter set forth to be performed by each, Owner and Envirolink mutually agree to the following terms and conditions.

ARTICLE 1: DEFINITIONS

Definitions: As used in this Agreement, the terms listed in this Article shall have the following meanings:

A. “Additional Services” shall mean those Utility Operation, Management and Maintenance Services that are not included in the Scope of Services as set forth in Exhibit B (attached hereto and incorporated herein to this Agreement). Additional Services will also include emergency assistance to

other cities and Owners under mutual aid agreements. Additional Services will also include expansion of services for growth and new customers.

B. “Affiliate” or “affiliate” means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Person. For purposes of the foregoing, “control,” “controlled by” and “under common control with,” with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

C. “Certified Operator” or “Operator” or “Back up Operator” shall mean personnel, employees or agents of Envirolink certified by the North Carolina Department of Environmental Quality (“DEQ”) Water Treatment Facility Operators Certification Board to operate and maintain water supply, wastewater purification and related facilities.

D. “Contract Start Date” shall begin, with respect to each Facility, on the date that Owner acquires the Facility, upon the closing of the applicable Purchase Agreement.

E. “Facilities” shall mean the assets to be acquired by Owner pursuant upon closing of Purchase Agreements, as described in Exhibit A, each asset a **“Facility,”**

F. “Operation, Management, and Maintenance Services” or “Scope of Services” or “Services” shall mean those professional services provided by Envirolink to the Owner as set forth in Article 2 and in Exhibit B.

G. “Prudent Utility Practices” means those practices, methods, equipment, specifications and standards of safety and performance, as the same may change from time to time, as are commonly used by independent operators of water and utilities of a type and size similar to those constituting the Facilities as good, safe and prudent practices in connection with the operation, maintenance, repair and use of equipment of like facilities, with commensurate standards of safety, performance, dependability, efficiency and economy. Prudent Utility Practices are not intended to be limited to the optimum practice or method to the exclusion of others, but rather to be a spectrum of possible but reasonable and prudent practices and methods.

H. “Purchase Agreements” means (i) that certain Asset Purchase and Utility Construction and Maintenance Agreement by and between Equity First NC, LLC and CV-WWRT, LLC and Currituck Water and Sewer, LLC, dated on or about October 31, 2019 (the **“Carolina Village Agreement”**); (ii) that Revised and Restated Asset Purchase Agreement by and between Sandler Utilities at Mill Run, LLC and Currituck Water & Sewer LLC, dated as of April 14, 2021 (the **“Eagle Creek Agreement”**); and (iii) that certain Service and Asset Purchase Agreement by and between Mayock Development, LLC and Currituck Water & Sewer LLC, dated as of May 6, 2021 (the **“Fost Agreement”**), pursuant to each of which Owner acquired options to purchase certain of the Facilities set forth on Exhibit A.

I. “Qualified Staff” shall mean personnel experienced and qualified to operate, maintain, manage, and operate public works and public utilities and all other responsibilities of the Owner as described herein

J. “State” shall mean the State of North Carolina.

ARTICLE 2 - SCOPE OF SERVICES BY ENVIROLINK and ANNUAL OPERATING PLAN AND BUDGET

(a) Owner engages Envirolink and Envirolink agrees to be engaged by Owner to provide the Scope of Services, as set forth in Exhibit B (attached hereto and incorporated herein to this Agreement) and to be performed in accordance with the terms and conditions set forth herein.

(b) In addition to the Scope of Services, Envirolink may perform Additional Services at the written request of the Owner, or Envirolink may perform Additional Services if such Additional Services are needed as a result of uncontrollable circumstances or the existence of an unanticipated circumstance, situation or event not included in the Scope of Services. Such requests shall be provided by Owner as written "Task Orders" delivered to Envirolink. Envirolink shall be paid for such Additional Services on the basis set forth in Article 7.

(c) Envirolink shall perform all services hereunder in all material respects in a professional, prudent and efficient manner and in accordance with: (a) all operating, maintenance and administrative manuals and procedures for the Facilities, as provided by Owner; (b) the Annual Operating Budget, as approved by Owner; (c) all applicable laws; (d) Prudent Utility Practices; (e) the requirements of this Agreement; (f) the requirements of the Facility related insurance policies; and (g) the requirements of all warranties and guarantees applicable to the Facilities and equipment located at the Facilities.

(d) Pursuant to the provisions of Exhibit B, within sixty (60) days of the Contract Start Date, and within sixty (60) days of each anniversary of the Contract Start Date, or other mutually agreed upon date of each calendar year during the Term, Envirolink shall prepare and submit to Owner a proposed Annual Operating Plan and Annual Operating Budget for the next calendar year. The annual operating plan shall set forth the underlying assumptions and implementation plans and shall include, but not be limited to operational forecasts, set metrics for safety goals, plans for staffing and Facility succession plans, operational training goals, proposals for improving Facility performance, procurement plans and environmental goals (the "Annual Operating Plan"). The annual operating budget shall establish and include on a monthly basis, and in accordance with the Annual Operating Plan, a separate operating budget and capital budget, and shall set forth anticipated reimbursable costs for operations, repairs and capital improvements, routine and preventive maintenance, procurement, staffing, personnel and labor activities (including unit rates for labor), management and administrative activities, and other work proposed to be undertaken by Envirolink, and other costs of Owner to be incurred in connection therewith (excluding anticipated costs of performing any repairs) (the "Annual Operating Budget"). Such Annual Operating Budget shall be based on accrual accounting. Owner shall promptly review Operator's proposed Annual Operating Plan and Annual Operating Budget and may require changes, additions, deletions and modifications (including staffing levels), but with corresponding changes in cost estimations.

(e) Envirolink shall not enter into any subcontract or other transaction with any Affiliate of Envirolink involving amounts which may be recoverable by Envirolink as a reimbursable cost hereunder, unless Operator obtains the prior written consent of Owner (which consent shall not be unreasonably withheld, conditioned or delayed) following notice from Envirolink to Owner certifying that such transaction is in accordance with the applicable Annual Operating Plan and Annual Operating Budget

and on terms and conditions no more favorable to such Affiliate than would be obtainable if such transaction were between unrelated parties on an arm's-length basis.

ARTICLE 3 – RESPONSIBILITIES OF OWNER

Owner shall provide Envirolink with the items and assistance set forth in Exhibit C (attached hereto and incorporated herein to this Agreement), in accordance with the terms and conditions set forth herein.

Owner shall provide compensation and payment to Envirolink in accordance with the terms and conditions set forth in Article 7.

ARTICLE 4 – INDEPENDENT CONTRACTOR

Envirolink shall be deemed to be an independent contractor. Envirolink shall have no power or right to enter into contracts or commitments on behalf of the Owner unless specifically authorized in writing by the Owner to do so.

ARTICLE 5 – TERM OF AGREEMENT

Subject to the other provisions of this Agreement, the initial term of this Agreement shall commence as of the Contract Start Date and end on the fifth (5th) anniversary of the Contract Start Date (“Initial Term”). Thereafter, this Agreement shall be automatically renewed for additional, consecutive one year terms (the “Renewal Term” and together with the Initial Term, the “Term”), unless canceled in writing by either Party no less than one hundred twenty (120) days prior to expiration of the then-current Term. The Owner shall turn the Facilities over to Envirolink on the Contract Start Date of this Agreement, free and clear of the rights of any other operator thereof, and Envirolink shall commence providing the Services on the Contract Start Date.

ARTICLE 6 - TERMINATION

6.1 Termination for Default. Either party (the “Terminating Party”) may terminate this Agreement if a material breach of any provision of this Agreement has been committed by the other party (the “Breaching Party”) through no fault of the Terminating Party, provided that the following procedure is strictly adhered to:

6.1.1 The Terminating Party must give the Breaching Party written notice setting forth in detail the alleged material breach. The Breaching Party shall have fifteen (15) days to cure such material breach in accordance with provisions of this Article, provided, however, that the Breaching Party shall be granted a maximum of ninety (90) days to cure any material breach (the “Cure Period”), as is reasonably necessary to accomplish such cure, in the event that (i) such breach is curable, (ii) the breach cannot be reasonably cured in the fifteen (15) day period, as mutually agreed to by the parties and (iii) such extension would not cause any material adverse effect on the Facility or the non-breaching party.

6.1.2 If the deficiencies are not corrected within the Cure Period, the Terminating Party may declare the Breaching Party in default by issuing a notice to the Breaching Party, declaring that the Breaching Party is in default under the Agreement and stating that the Agreement is thereby terminated, effective immediately.

6.1.3. In the event that the Owner disputes whether Envirolink has corrected any breach of this Agreement, a mutually acceptable professional engineer licensed to practice in the State of North Carolina will be mutually selected and retained by the Parties to be the judge of whether said deficiencies have been corrected.

6.2 Termination for Budget Overruns. In the event that, for reasons within Envirolink's control or due to the failure of Envirolink to properly perform the services hereunder, the amount of costs reimbursable to Envirolink by Owner under this Agreement exceed the Annual Operating Budget by more than (i) 15% in any given calendar year and (ii) 10% in the following calendar year, Owner may terminate this by written notice to Envirolink, such termination to be effective on the date specified in such notice, which date shall be no less than ninety (90) days after the date of such notice. Notwithstanding the foregoing, each of the Owner and Envirolink agree to use good faith efforts to negotiate any adjustments to the then-current Annual Operating Budget that are mutually deemed necessary by the parties due to circumstances (i) unforeseen by the parties at the time that such Annual Operating Budget is finalized, and (ii) outside the reasonable control of Envirolink.

ARTICLE 7 - COMPENSATION AND PAYMENT TO ENVIROLINK

Beginning on the Contract Start Date, and for each year during the Term, Owner shall pay Envirolink compensation for the services provided by Envirolink pursuant to the Scope of Services set forth in Exhibit B, in accordance with the provisions of this Article 7 ("Annual Fee") (attached hereto and incorporated herein to this Agreement).

Owner shall pay Envirolink one-twelfth (1/12) of the Annual Fee for the current year within fifteen (15) days of issuance of an invoice from Envirolink for services provided during the preceding month. Owner shall pay Envirolink interest at an annual rate equal to one and one-half percent (1.5%) per month, on payments not paid and received on the due date of the payment. Envirolink shall provide each invoice on or about the first day of the month for services provided during the preceding month.

Payment for work designated in the Agreement as ALLOWANCE (Maintenance and Sludge) work has been factored into the Lump Sum Price and Payment Schedule set forth in this Agreement. Envirolink shall submit with its monthly invoice statements for each allowance showing the balance of obligated and unobligated funds in the allowance account. Supporting documentation, including but not limited to purchase orders, invoices, contracts, time sheets, etc., shall be provided upon request. Except for emergencies, prior to obligating any funds in excess of the allowance account, Envirolink shall obtain written approval from Owner in a form acceptable to both Owner and Envirolink. It is understood that this approval may be contingent upon budget amendments, budgeting cycles, or other such Owner required procedures and that Envirolink shall not obligate any funds prior to such written approval.

If the final amount of the ALLOWANCE work is less than the ALLOWANCE line item amount listed in the Agreement, a credit will be issued to Owner after all billings related to this particular line item ALLOWANCE work have been received by Envirolink. The credit will also include the contractor's mark

up on the amount of the Allowance overage. This credit will be applied toward the contractor's next invoice on the project. Envirolink and the Owner shall both document the cost of all Allowance items with receipts and invoices.

For Additional Services that Envirolink can provide in-house (*i.e.*, Envirolink does not have to enlist the services of a contractor or subcontractor and Envirolink does not have to lease any equipment to provide the Additional Services), Owner shall pay Envirolink additional compensation as provided in Envirolink's Preferred Client Rate Schedule for Additional Services, as set forth in Exhibit E (attached hereto and incorporated herein to this Agreement). The rates contained in the Preferred Client Rate Schedule for Additional Services are subject to change. For Additional Services that Envirolink cannot provide in-house (*i.e.*, Envirolink has to enlist the services of a contractor or subcontractor or Envirolink has to lease equipment to provide the Additional Services), Owner shall pay Envirolink additional compensation based upon Envirolink's actual costs (including overhead, equipment, materials and labor), plus fifteen percent (15%) of that cost.

ARTICLE 8 – NON-SOLICIATION OF EMPLOYEES

[Reserved].

ARTICLE 9 – INDEMNIFICATION

To the fullest extent permitted by law, Envirolink shall defend, indemnify and hold harmless Owner, and Owner's respective directors, officers, agents, representatives, members, partners employees, partners, shareholders and Affiliates (collectively, the "Owner Indemnitees"), from and against all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings (including reasonable fees and disbursements of counsel) resulting from (a) the violation of any law by Envirolink or any of its subcontractors, or (b) injury to or death of persons or loss of or damage to property, in any such case under this clause (b) arising as a result of or in connection with any failure on the part of Envirolink to perform its obligations under this Agreement or any negligent acts or omissions or willful misconduct of Envirolink or anyone acting on Envirolink's behalf (other than an Owner Indemnitee); provided, however, that Envirolink shall not be required to reimburse or indemnify any Owner Indemnitee for any loss or claim to the extent such loss or claim is due to the violation of Law, negligence or willful misconduct of such Owner Indemnitee.

To the fullest extent permitted by Law, Owner shall defend, indemnify and hold harmless Envirolink, and its respective directors, officers, agents, employees, members, partners, shareholders and Affiliates (collectively, the "Envirolink Indemnitees"), from and against all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings (including reasonable fees and disbursements of counsel) resulting from (a) the violation of any Law by Owner, or (b) injury to or death of persons or loss of or damage to property, in any such case under this clause (b) arising as a result of or in connection with any failure on the part of Owner to perform its obligations under this Agreement or any negligent acts or omissions or willful misconduct of Owner or anyone acting on Owner's behalf (other than an Envirolink Indemnitee); provided, however, that Owner shall not be required to reimburse or indemnify any Envirolink Indemnitee for any loss or claim to the extent such

loss or claim is due to the violation of law, negligence or willful misconduct of such Envirolink Indemnitee.

Neither Party nor its affiliates shall be liable to the other Party for any special, consequential, indirect or incidental damages relating in any way to this Agreement or the Facilities,.

ARTICLE 10 - INSURANCE

Envirolink shall maintain at its own expense Worker's Compensation, Commercial General Liability, and Automobile Liability insurance policies for the duration of this Agreement in the following amounts:

<u>Type of Insurance</u>	<u>Limits of Liability</u>
Workers' Compensation	Statutory Workers' Compensation
Commercial General Liability	\$1,000,000 limit for personal injury and property damage per occurrence and \$2,000,000 in the aggregate
Automotive Liability (Auto)	\$1,000,000 each accident or loss Combined Bodily Injury and Property Damage All Vehicles covered hired car and non-owned Automobiles.

Owner shall procure and maintain fire, property, and boiler and machinery insurance, on an all risk basis, on the Facilities, in an amount equal to 100% of the value of their repair or replacement.

Each Party agrees to include the other in any liability insurance policies it holds as a named insured, and certificates of insurance shall be provided upon request. In no event shall either Party be responsible for the intentional wrongful acts of the other. All policies of liability insurance required to be maintained by Envirolink shall provide that coverage shall not be canceled or non-renewed until at least thirty (30) days prior notice has been given, except only ten (10) days' notice shall be provided for non-payment of premium.

Owner shall procure and maintain appropriate surety bonds endorsed to include faithful performance to cover the faithful performance of Envirolink in the penal amount established by North Carolina law. Owner shall also procure and maintain an appropriate crime insurance policy providing coverage for criminal acts or omissions committed by Envirolink, endorsed to include faithful performance to cover the faithful performance of Envirolink and with policy limits as established by North Carolina law. Should Owner fail to procure or maintain the surety bond or insurance policy specified in this paragraph, Envirolink may, but is not obligated to, procure such bond or policy and invoice Owner for the cost of same. Owner shall be responsible for any fines, penalties, costs or damages associated with any failure to maintain the surety bond or insurance policy specified in this paragraph.

The Owner shall provide all forms of insurance associated with the duties of Envirolink to include but not limited to: Professional Liability, and Fidelity Insurance.

ARTICLE 11 – FORCE MAJEURE

Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that performance of such obligations is delayed, hindered or prevented by any cause which is beyond the reasonable control of such Party (hereinafter called “Force Majeure”). Force Majeure includes, but is not limited to, any of the following, if reasonably beyond the control of the Party claiming Force Majeure: war (declared or undeclared), blockages, hostilities, revolutions, riots, strikes, lockouts or other labor disturbances, epidemics, fires, earthquakes, hurricanes, tornados, tropical storms, floods, ice storms, explosions, lightning, landslides, such other cataclysmic occurrences, delays or interruptions in transportation, terrorist acts, changes in local, state or federal law that render the Agreement unlawful or unduly burdensome to continue as written, or any other cause (whether or not of kinds specifically mentioned herein) that is not reasonably within the control of the Party claiming Force Majeure.

ARTICLE 12: REPRESENTATIONS AND WARRANTIES

Each Party hereby represents and warrants to the other that:

(a) Standing. It is a company duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and is qualified to do business in good standing in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure so to qualify would have a material adverse effect on its financial condition, operations, prospects or business (including, in the case of Envirolink, North Carolina).

(b) No Violation of Law; Litigation. It is not in violation of any applicable Law promulgated or judgment entered by any governmental authority which violations, individually or in the aggregate, would affect its performance of any obligations under this Agreement. There are no legal or arbitration proceedings or any proceeding by or before any governmental authority, now pending or (to the best of its knowledge) threatened against it which, if adversely determined, could reasonably be expected to have a material adverse effect on its financial condition, operations, prospects or business, or its ability to perform under this Agreement.

(c) Licenses. To the best of its knowledge, it has made all filings with, and obtained all consents, licenses, permits, or other approvals from, all applicable governmental authorities, which are required or appropriate to be made or obtained to permit it to lawfully conduct its business now and as contemplated by this Agreement.

(d) No Breach. To the best of its knowledge, none of the execution and delivery of this Agreement, the consummation of the transactions herein contemplated or compliance with the terms and provisions hereof and thereof will conflict with or result in a breach of, or require any consent under, any of its charter or organizational documents, any applicable law or regulation, or any order, writ, injunction or decree of any court, or any agreement or instrument to which it is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument.

(e) Authority, etc. It has all necessary power and authority to execute, deliver and perform its obligations under this Agreement; the execution, delivery and performance by it of this Agreement have been duly authorized by all necessary action on its part; and this Agreement has been duly and validly executed and delivered by it and constitutes the legal, valid and binding obligation of it enforceable against it in accordance with the terms thereof, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles.

(f) Investigation. In the case of Envirolink, it has: (a) examined all documents provided by Owner, as they apply to or affect the performance of services under this Agreement, thoroughly and become familiar with their terms; and (b) has ascertained the nature and location of the Facilities, the general character and accessibility of the Facilities, and other general conditions which might affect its performance of the services under this Agreement or the cost thereof and has performed such other examination and investigation as would normally be conducted by an operator considering entering into an agreement such as this Agreement to verify conditions which might affect its performance of the services hereunder or the cost thereof.

ARTICLE 13 – INTENTIONALLY OMITTED

ARTICLE 14 - NOTICE

For purposes of this Agreement, notices and all other communications provided for or permitted herein shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by United States certified mail or nationally recognized courier service, prepaid, return receipt requested, addressed as follows:

If to Envirolink:

Envirolink, Inc.
c/o: Controller
4700 Homewood Ct., Suite 108
Raleigh, NC 27609
Tel 919-827-4631
Email: jmclamb@envirolinkinc.com

If to the Owner:

Currituck Water and Sewer, LLC
4700 Homewood Ct., Suite 108
Raleigh, NC 27609
Tel 919-827-4631
Email: julius@bernhardcapital.com

Or to such other addresses as either party may furnish to the other in writing in accordance herewith, except that notices of changes of address shall be effective only upon receipt. The parties must provide written notice of any changes to the authorized representatives in advance of such change.

The following individuals are the point of contact for the administration of this Agreement:

Envirolink:

Dave Strum, Director of Operations
Envirolink, Inc.
4700 Homewood Ct., Suite 108
Raleigh, NC 27609
Tel 919-827-4631
Email: dstrum@envirolinkinc.com

Owner:

Currituck Water and Sewer, LLC
4700 Homewood Ct., Suite 108
Raleigh, NC 27609
Tel 919-827-4631

ARTICLE 15 - GOVERNING LAW

The interpretation, validity, effect, and enforcement of this Agreement are to be governed and construed in accordance with the laws of the State of North Carolina.

ARTICLE 16 - ASSIGNMENT

The benefits and obligations hereunder shall inure to, and be binding upon, the Parties hereto. This Agreement may not be assigned by either Party, either in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, except that the Owner's consent shall not be required for any assignment by Envirolink to an Affiliate of Envirolink or its parent or to a wholly owned subsidiary of Envirolink. For the avoidance of doubt, any such assignment by Envirolink shall not relieve Envirolink of its duties and obligations under this Agreement.

ARTICLE 17 – CHANGES and AMENDMENTS

Owner may request changes in the Scope of Services to be performed pursuant to this Agreement. All changes to the Scope of Services must be in writing and signed by the Parties. If any such changes cause an increase in Envirolink's costs and/or increase the time required for, or the nature of performance of the Scope of Services, Envirolink shall so notify Owner within thirty (30) days of receipt of the change order notification, and as mutually agreed by Envirolink and the Owner, an equitable adjustment shall be made in Envirolink's Compensation and Payment, and this Agreement shall be

modified by a Change Order, duly executed by representatives of each Party. Further, this Agreement may not be modified unless in writing signed by both Parties.

ARTICLE 18 – ACCESS AND USE OF OWNER EQUIPMENT

Owner shall provide access to and use of the real property, equipment, improvements, buildings, structures, and facilities that are under the Owner’s ownership or control that are presently located at the Facilities. Additionally, Owner shall provide access to and use of all real property, equipment, improvements, buildings, structures, and facilities that are under the Owner’s ownership or control, located at the Facilities, that are required by Envirolink to fulfill its obligations under this Agreement.

ARTICLE 19: DISPUTES AND VENUE

Any dispute arising under this Agreement shall be heard exclusively in the State and Federal Courts located in the State of North Carolina.

ARTICLE 20 - SEVERABILITY

In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality or unenforceability thereof shall not affect the remainder of this Agreement, which shall be in full force and effect, enforceable in accordance with its terms.

ARTICLE 21 – HEADINGS AND DEFINITIONS

The section headings have been inserted for purposes of convenience and shall not be used for interpretive purposes.

ARTICLE 22 – SUCCESSORS BINDING AGREEMENT

This Agreement shall be binding upon and inure the benefit of the Parties and their respective successors and permitted assigns.

ARTICLE 23 – E-VERIFY COMPLIANCE

Envirolink hereby certifies that it shall comply with the requirements of Chapter 64, Article 2 of the North Carolina General Statutes (the “E-Verify Requirements”).

ARTICLE 24 - DISPARAGEMENT

Subject to applicable law, each of the Parties covenants and agrees that neither it nor any of its respective agents, subsidiaries, affiliates, successors, assigns, officers, key employees or directors, will in

any way publicly disparage, call into disrepute, defame, slander or otherwise criticize the other Parties or such other Parties' subsidiaries, affiliates, successors, assigns, officers (including any current officer of a Party or a Parties' subsidiaries who no longer serves in such capacity following the execution of this Agreement), directors (including any current director of a Party or a Parties' subsidiaries who no longer serves in such capacity following the execution of this Agreement), employees, shareholders, agents, attorneys or representatives, or any of their products or services, in any manner that would damage the business or reputation of such other Parties, their products or services or their subsidiaries, affiliates, successors, assigns, officers (or former officers), directors (or former directors), employees, shareholders, agents, attorneys or representatives

ARTICLE 25 - ENTIRE AGREEMENT

This Agreement sets forth the entire agreement and understanding between the Parties as to the matters contained herein and merges and supersedes all prior discussion, proposals, presentations, agreements and understandings of every kind and nature among them. No Party shall be bound by any condition, definition or representation other than as expressly provided for in this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

SIGNATURE PAGE TO FOLLOW

Currituck Water & Sewer, LLC

By: Currituck Water & Sewer Holdings, LLC

Its: Sole Member

By: Jeffrey Yuknis

Name: Jeffrey R. Yuknis

Title: Authorized Signatory

Date:

Envirolink, Inc.

By: _____

Name: Michael J. Myers

Title: President

Date:

Currituck Water & Sewer, LLC

By: Currituck Water & Sewer Holdings, LLC

Its: Sole Member

By: _____

Name: Jeffrey R. Yuknis

Title: Authorized Signatory

Date:

Envirolink, Inc.

By:  _____

Name: Michael J. Myers

Title: President

Date: *12-17-2021*

EXHIBIT A
Description of Owner Facilities

Eagle Creek Wastewater Treatment Facility, such facility to be transferred to Owner upon Closing of the Eagle Creek Agreement

Eagle Creek Wastewater Collection System, such facility to be transferred to Owner upon Closing of the Eagle Creek Agreement

Fost Wastewater Collection System, such facility to be transferred to Owner upon Closing of the Fost Agreement

Flora Wastewater Collection System, such facility to be transferred to Owner upon Closing of the Fost Agreement

Eagle Creek Spray Irrigation System, such facility to be transferred to Owner upon Closing of the Eagle Creek Agreement

Carolina Village Wastewater Treatment Facility, such facility to be transferred to Owner upon Closing of the Carolina Village Agreement

Carolina Village Spray Irrigation/Infiltration Pond, such facility to be transferred to Owner upon Closing of the Carolina Village Agreement

Carolina Village Well Treatment Facility, such facility to be transferred to Owner upon Closing of the Carolina Village Agreement

Carolina Village Water Distribution System, such facility to be transferred to Owner upon Closing of the Carolina Village Agreement

Exhibit B
Envirolink Scope of Services

SCOPE

Envirolink agrees to act and provide certain utility operation, management and maintenance services for the Facilities as described below. Pursuant to Article 17, in the event of any changes in the Scope of Services that cause an increase in Envirolink's costs and/or increases the time required for, or the nature of performance of the Scope of Services, an equitable adjustment shall be made to Envirolink's Compensation and Payment, as mutually agreed to by the Parties. The Scope of Services includes the following:

1. Envirolink will pay expenses as required in the performance of the duties set forth in this Agreement, which include:
 - A. Personnel costs for all staff, including overtime expenses for staff;
 - B. Vehicles suitable for transporting equipment and operators;
 - C. Fuel, taxes, tags, maintenance and insurance for vehicles;
 - D. Normal operating supplies -- including tools and general supplies;
2. Envirolink will provide back-up and professional support in the area of Utility Services.
3. Envirolink will deal with the public and community groups in a professional manner. Any complaints received by the Owner will be acted upon immediately by Envirolink, and the Owner will promptly inform an Envirolink representative of any complaints and subsequent actions.
4. Envirolink's superintendent or appropriate staff will attend meetings with officials of State and Federal Regulatory Agencies, upon request by the Owner.

Operation, Maintenance, and Management of the Wastewater Treatment Plants

Envirolink proposes to operate and manage the wastewater treatment plants at the Facilities for the Owner. The following outlines the services included with operation and management of the Wastewater Treatment Plant:

- Primary Operation in Responsible Charge (Grade II or greater with spray irrigation certification);
- Back up Operator in Responsible Charge (Grade I or greater with spray irrigation certification);
- 24 hour, seven day a week on call emergency response*;
- Attendance at Regulatory Agency Inspections and meetings;
- Coordination with North Carolina Regulatory Agency's regarding the operation of the wastewater treatment plant;
- Purchase the analytical testing over the term of the contract for those parameters listed on the attached sample schedule. For additional testing above this amount, Envirolink would receive an equitable adjustment to the contract;
- Purchase sludge disposal up to \$10,000 per fiscal year. Any sludge disposal cost above \$10,000 per year will be reimbursed in accordance with Exhibit D.
- Provide operator tools, supplies, and materials for typical day to day operational and maintenance activities;
- Develop and maintain an Emergency Preparedness Plan for the water and wastewater operations;
- Provide all personal protective equipment (PPE) for employee safety, including uniforms and

- appropriate work shoes;
- Pay for annual maintenance on generator at the wastewater facility; Monitor and Record Key Operational Control Parameters;
- Monitor inventory levels of parts and supplies and coordinate replenishment;
- Maintain an Operator Log recording all operational adjustments and maintenance activities;
- Preparation of the Wastewater Performance Annual Report;
- Notify the Owner representative of any permit violations or specific equipment issues or capital requirements immediately upon discovery. Envirolink will indicate the reason for the violation or problems and provide an opinion of options and recommendation based on its experience in managing utilities;
- Daily duties customary with the operation of a WWTP of this type;
- The Owner will be responsible for cost associated for power, sludge disposal, and chemicals;
- Preventive Maintenance as needed;
- Test audio-visual alarms and telemetry;
- Respond to customer inquiries concerning the wastewater treatment plant;

Adjustment of the Wastewater System – Owner may not authorize any adjustments or maintenance of the wastewater treatment and spray system by personnel other than Envirolink Employees or its approved contractors, unless approved in advance by Envirolink.

Operation, Maintenance, and Management of the Spray Irrigation Facility

Envirolink will operate, maintain, and manage the Spray Irrigation Facility for the Owner as follows:

- Provide a Primary Operator in Responsible Charge (Spray Irrigation Operator);
- Provide a Back-up Operator in Responsible Charge (Spray Irrigation Operator);
- In consultation with the Golf Course, operate the spray irrigation system utilizing _____ phone application (provided by Owner). Does not require operator to be on-site during irrigation times.
- Attendance at regulatory agency inspections and meetings;
- Coordination with North Carolina regulatory agencies regarding the operation of the irrigation system;
- Monitor and record key operational control parameters;
- Monitor inventory levels of parts and supplies and coordinate replenishment;
- Maintain an operator log that records all operational adjustments and maintenance activities;
- Preparation and file monthly NDARs with NCDEQ;
- Coordinate and oversee sampling program for monitoring wells and soil sampling;
- Purchase the analytical testing over the term of the contract for those parameters listed on the attached sample schedule. For additional testing above this amount, Envirolink would receive an equitable adjustment to the contract;
- Coordinate with the Golf Course superintendent on the maintenance of fields and cover crop. No application of pesticide, herbicide, or fertilizers without approval of operator in responsible charge. All cover crop maintenance activities will be coordinated with the operator in response;
- It is understood that the golf course is responsible for application of pesticide, herbicides, and fertilizers. No pesticide, herbicide or fertilizers application are included;
- The Owner will be responsible for the costs associated with providing power for the Facilities;

- Preventative maintenance as per manufacturer recommendations or Envirolink standard operating procedure;
- Notify the Owner of any permit violations, specific equipment issues or capital requirements immediately upon discovery. Envirolink will indicate the reason for the violation or problems and provide an opinion of options and recommendation based on its experience in managing utilities;

Adjustment of the Irrigation System – Owner may not authorize any adjustments or maintenance of the wastewater treatment and spray system by personnel other than Envirolink Employees or its approved contractors, unless approved in advance by Envirolink

Operation Maintenance and Management of the Wastewater Collection System

Envirolink proposes to operate and manage the wastewater collection system for the Owner. The following outlines the services included with operation and management of the Wastewater Collection System:

- Primary Operator in Responsible Charge (Grade II);
- Back up Operator in Responsible Charge (Grade I or greater);
- Manage Fats, Oils, and Grease Program. Owner will be responsible for mailing educational material to customers.
- Inspect Three (3) lift stations as required by NCDENR but no less frequently than weekly;
- Respond to Sanitary Sewer Overflows and issue 24 hr verbal and 5 day written notification and report to NC DENR;
- Annual visual inspection of collection system and semi-annual inspection of High Priority Lines and maintain reports of these activities;
- Clean 10% of the sewer collection system per year (approximately 4,224 ft/year) and maintain reports of these activities;
- Clean lift stations 2 times per year and maintain reports of these activities
- Attendance at Regulatory Agency Inspections and meetings;
- Coordination with North Carolina Regulatory Agency's regarding the operation of the wastewater system;
- Respond to customer inquiries concerning the wastewater collection system;
- 24 hour a day, 365 day a year emergency response

Adjustment of the Wastewater Collection System – Owner may not authorize any adjustments or maintenance of the wastewater collection system by personnel other than Envirolink Employees or its approved contractors, unless approved in advance by Envirolink

Operation Maintenance and Management of the Water Distribution System

Envirolink proposes to operate and manage the water distribution system for the Owner. The following outlines the services included with operation and management of the Water Distribution System:

- Primary Operator in Responsible Charge (Class B);
- Back up Operator in Responsible Charge (Not required but recommended);
- Attendance at Regulatory Agency Inspections and meetings;
- Coordination with North Carolina Regulatory Agency's regarding the operation of the water

- system;
- Upon testing of chlorine levels, collect bacteriological samples from the distribution system per the sample site plan and deliver to a certified laboratory for analysis;
 - Comply with the requirements of the lead and copper program, including distribution of lead and copper educational material and coordination of lead and copper sampling, as required by North Carolina Public Water Supply Section;
 - Collect and deliver to the laboratory samples according the sample site plan for disinfection by-product monitoring as required by the North Carolina Public Water Supply Section;
 - Purchase the analytical testing over the term of the contract for those parameters listed on the attached sample schedule. For additional testing above this amount, Envirolink would receive an equitable adjustment to the contract;
 - Track compliance monitoring and collect and deliver to a certified laboratory those parameters required according to the North Carolina Public Water Supply Section;
 - Monitor and Record Key Operational and Process Control Parameters;
 - Monitor inventory levels of chemicals, parts and supplies and coordinate replenishment;
 - Maintain an Operator Log recording all operational adjustments and maintenance activities;
 - Notify the Owner of any permit violations or specific equipment issues or capital requirements immediately upon discovery. Envirolink will indicate the reason for the violation or problems and provide an opinion of options and recommendation based on its experience in managing utilities.
 - Read up to 184 meters once per month and deliver the readings to billing;
 - 24 hours a day, 365 day a year emergency response;
 - Respond to customer inquiries concerning the water distribution system;
 - Other customer service related work orders typical of a public utility;
 - Labor & equipment for preventive maintenance, as needed;

Adjustment of the Water System – Owner may not authorize any adjustments or maintenance of the water system by personnel other than Envirolink Employees or its approved contractors, unless approved in advance by Envirolink

Utility Management Shared Services

- Coordination and completion of all repair/replacement maintenance events at the water and wastewater treatment facility. Includes a \$500.00 per event deductible and an annual maximum maintenance cap of \$15,000.00;
- Coordination and completion of the life cycle cost events at the water and wastewater treatment facility. Includes a \$500.00 per event deductible and an annual maximum maintenance cap of \$15,000.00;
- Coordination and completion of repair/replacement maintenance events on Owner equipment. Includes a \$250.00 per event deductible and an annual maximum maintenance cap of \$5,000.00;
- Coordination and completion of a meter replacement program. This includes the replacement of 5% of the Owner’s water meters annually;
- Coordination completion of a flushing program. This includes two water system flushes annually.

Management Support

Envirolink will provide the following services in providing management support:

DAY TO DAY MANAGEMENT

- Coordinate and direct the facilitation of both long-term and short-term planning associated with utilities;
- Coordinate and direct utility related customer service to the citizens compatible with the legal responsibilities established and the economic resources available.
- Represent the Owner policies and programs with community representatives and other government agencies.
- Attend meeting of the Board of Managers of Owner (the “Board”)
- Provide advice and consultation on the development of Owner programs and policies related to water, and sewer.
- In consultation with Owner, establishing goals, objectives and schedules related to utility services.
- Work with Owner to implement, administer, and enforce the water, and sewer policies and programs adopted by the Board, including,
 - Sewer use policies
 - Billing and collection policies
 - Cross Connection Control Policies
- Work in conjunction with the Owner’s attorneys, accountant, and consultants to recommend to the Board changes needed to: rules and regulations; fees and charges; and specifications and requirements controlling the construction, repair, maintenance and operation of Owner’s water, and sewer services systems. Said recommendations to be reviewed and acted upon by the Owner’s Board. Represent the Board’s water, and sewer policies and programs with customers community representatives and other government agencies.
- Providing advice and consult with Board on approval of capital projects and function as the owner’s representative on the projects and work with the engineers and contractors to develop and administer goals, scope, schedule and budget.
- Administering and enforcing the programs and activities adopted to facilitate compliance with applicable regulatory licenses, permits and regulations necessary for the ownership and operations of Board approved Owner services;
- Conferring with private individuals, firms, organizations and local, state and federal agencies in the implementation and coordination of programs, projects and various activities.

ADMINISTRATION ASSISTANCE

- Assist, as required, with the following:
 - Preparation of annual water, and sewer operating and capital budgets for review and adoption by the Board.
 - Attend Board meetings, as needed;
 - Participate in strategic planning and long-term initiative meetings;
 - Monitor and report on future regulatory initiatives and changes that could potentially impact the Owner and its services;
- Use best efforts to identify service and system deficiencies;
- Attend meetings, such as, but not limited to, budget, pre-design meetings, design charrettes, preconstruction meetings, construction meetings, and partnering meetings; Oversee preparations for bids and specifications for capital expenditures
- Administer and enforce the programs and activities necessary to achieve compliance with applicable regulatory licenses, permits and regulations necessary for the ownership and operations of Owner services and utility systems.

PUBLIC RELATIONS

- Upon request, act as spokesperson/representative for the Owner in situations including, representing the Owner in negotiations and conferences conducted by and with the community and civic organizations, governmental and legislative bodies, contractors, trade, technical, professional associations, groups, etc.
- Confer with private individuals, firms, organizations and local, state and federal agencies in the implementation and coordination of programs, projects and various activities.
- Meet with the public to disseminate information regarding Owner regulations and ordinances.

Planning and Programming

In order to function as a full partner with the Owner, Envirolink must be fully engaged in planning and programming activities. The purpose of Planning and Programming provide the Owner with the types of resources and services typical of a utility department. Planning and Programming is not intended to provide the detailed analysis typical for master planning, construction estimate, utility rate reviews, etc. but rather to provide Program Management of these activities typical of Utility Departments. The following list generally describes some of these activities.

Utility Billing & Customer Service

- Utility Customer Account Management
- Respond to customer inquiries
- Service order processing and tracking
- Service order records management
- Customer account bill production and mailing
- Collection of funds through direct mail, or automatic bank draft
- Bank account, in Owner name, for receipt of utility account payments, to be deposited as required.
- Consumer Confidence Report Production
- Consumer Confidence Report distribution through direct mailing or other NC PWS approved method

BILLING AND COLLECTIONS SERVICES. Owner will provide Envirolink a copy of the Certificate approved and issued by the Board that provides the Schedule of Rates that the Owner must charge customers utilizing Owner services. Envirolink shall be responsible for all aspects of billing pursuant to the Certificate and this Agreement. Furthermore, Envirolink shall be responsible for all aspects of collection pursuant to the rates and connection fees contained in the Schedule of Rates of the Certificate, and Envirolink shall be responsible for all aspects of collection pursuant to this Agreement and in conformance with the Owner's Collection Policy. Specifically, Envirolink is responsible for all aspects of billing to and collection from the customers utilizing Owner services, including, without limitation, the following:

- (1) Collect the capacity/connection fees in accordance with the terms of the Certificate.

(2) Perform customer billing once per month in or around the fifteenth (15th) day of the month following the month that such services were rendered. Bill cycle to be between 28 – 32 days.

(3) Establish and maintain a customer file on each account in its database utilizing Envirolink's software.

(4) Establish and maintain a billing register containing information on each account billed utilizing Envirolink's software.

(5) Prepare and mail monthly water, and sewer, bills utilizing Envirolink's software. The water, and sewer, bills shall instruct the customer to make checks payable to Currituck Water & Sewer.

(6) Prepare and deliver to Owner clerk and Board monthly accounts, receivables, and aging reports prepared utilizing Envirolink's software.

(7) Prepare and mail late notices for delinquent accounts.

(8) By the twentieth (20th) day of each month, prepare and deliver to the Owner clerk a monthly sales report showing new customers connected to the wastewater utility system.

(9) Envirolink shall direct on its monthly customer bills that all payments will be forwarded to a lockbox number at a specified bank pursuant to which Currituck Water & Sewer and Envirolink will enter into a separate lockbox agreement. All checks from customers in the Service Area shall be mailed directly to the lockbox account. Envirolink acknowledges that funds deposited into the lockbox account will be wired to the Currituck Water & Sewer main checking account on a weekly basis pursuant to the lockbox agreement. All bank charges for lockbox and wire transfers shall be paid by Currituck Water & Sewer directly to the bank holding the lockbox account.

(10) Envirolink shall use its best efforts to collect all customer accounts due from customers obtaining services from the Currituck Water & Sewer, including the preparation and mailing of delinquent follow-up notices. Delinquent follow-up notices include a reminder notice when an account is five (5) days past due and a suspension of services notice when an account is twenty (20) days past due.

Envirolink shall submit to Owner the reports provided in Item 6 and 8, by the twentieth (20th) day of each month following the month that Envirolink initiates billing pursuant to this Section. Envirolink shall retain electronic and/or paper copies of all other billing records that Envirolink prepares and maintains pursuant to this Agreement.

EXHIBIT C
Owner Responsibilities

- Board shall designate in writing the one representative, to act as the Owner's representative with respect to the services to be provided under this agreement. The representative shall have complete authority to transmit instructions, receive information, interpret and administer this agreement, and define the Owner policies and decisions with respect to the services covered by this Agreement. The parties understand Envirolink shall perform its services under the direct instruction and supervision of the Owner, as designated under this paragraph.
- In matters affecting the performance of this agreement, the Board shall render decisions in a timely manner and shall not unreasonably withhold approval of the Annual Operating Plan, Annual Operating Budget or other decisions that Envirolink may reasonably need to properly act on behalf of the Owner.
- Ensure that each member of the Board functions in accordance with North Carolina law and ensures that any and all actions taken are representative of the Board. No member of the Board may take any action that represents individual goals and objectives. For clarity, all actions taken by individual members of the Board shall be supportive of the collective Board's goals and objectives based on actions taken during regularly scheduled meetings.
- Owner shall be responsible for:
 - a. Issuance of Purchase Orders
 - b. Processing Accounts Payable
 - c. Preparing Account Receivable Reports
 - d. Preparing Financial Reports
 - e. Cutting checks for payment
 - f. Facilitating audits
- The Owner shall indemnify Envirolink in accordance with Article 9 and Article 13.
- Assist Envirolink by placing at its disposal all available information pertinent to any project upon which it is working, including previous reports and any other data.
- Examine all studies, reports, estimates, specifications, drawings, proposals, and other documents presented by Envirolink, and render decisions pertaining thereto within a reasonable time so as not to delay performance of the services of Envirolink.
- Give prompt written notice to Envirolink whenever Owner observes or otherwise becomes aware of any discrepancies in the Basic Services or Additional Services provided by Envirolink so that Envirolink may investigate and make recommendations to the Owner.
- All contracts entered into on behalf of the Owner shall be approved by the Board.
- Approve an annual operating and capital budget no later than May 31st of each year.
- Approve Water, and Sewer rates supportive of full cost pricing for the on-going operation, maintenance and management of the utility systems including life-cycle cost and maintenance of an agreed upon fund balance and/or working capital.
- Ensure appropriate funds supportive of full cost pricing of Owner operations including life-cycle cost and maintenance of an agreed upon fund balance and/or working capital are available.
- Approve any reasonably requested ordinance changes that support the on-going operations of the Owner and Owner utility services.
- Approve any reasonably requested fee structure changes requested that support the on-going operations of the Owner.
- Approve any and all capital budgets and the corresponding capital budget expenditure request to support the on-going operation of the Owner and its utility services.
- At all times take such actions that support and represent the Owner and its residents best interest.

- Furnish approvals, permits, and all correspondence from all governmental authorities having jurisdiction over any services undertaken hereunder and such approvals and consents from others as may be necessary.
- Except for corrective maintenance in accordance with maintenance allowance, Owner shall be responsible for all corrective maintenance, repair or replacement cost under the direction of Envirolink.
- All utilities including water, sewer, electricity, internet and telecommunications services at no charge to Envirolink.
- Emergency power generation.
- Rehabilitative and correction of substandard conditions are the responsibility of the Owner.
- Labor, equipment and parts associated with replacement, repair, remedial, upgrades and new installation performed by Envirolink, at the request of the Owner, shall be invoiced monthly.
- Owner will pay cost to maintain all permits and licenses by NC DEQ for water and wastewater treatment facilities.
- Envirolink will pay for operating cost including gas, oil changes, supplies, tires, etc. and Owner will reimburse Envirolink any cost to maintain and repair any Owner owned equipment such as, but not limited to analytical, mechanical, or electronic equipment that is used in the performance of these services.
- Owner will pay for all application and annual inspection fees.
- Owner shall grant access and use of Owner equipment as may be necessary for the operation and maintenance of the Owner Facilities.
- Owner shall be responsible for any and all facilities modifications or safety measures required for compliance with OSHA regulations or findings; and facilities ground maintenance.
- Owner shall be responsible for all cost to maintain all easements, licenses, and equipment warranties for the mutual benefit of both the Owner and Envirolink.
- Owner agrees to pay for cost to maintain a spare parts inventory and pay for all upgrades and modifications required by State or Federal regulatory agencies.
- Be responsible for the cost of any snow removal from the access roads to the Facilities.
- Office use at no charge to Envirolink.
- Software licensing, chemical, office supplies, lab supplies, and other cost necessary to provide the services.
- Bear all costs incident to compliance with the requirements of this Section.

**EXHIBIT D
Pricing**

Contract Line Item #	Description of Service	Quantity (1)	Monthly Cost	Annual Cost
004	Utility Administration (Shared Services – Meter Reading, Turn Off, Restores, Customer Service, Billing)	12	See Utility Billing Rate Schedule	See Utility Billing Rate Schedule
005	Water, Operation & Maintenance	12		
006	Wastewater, Operations & Maintenance	12		
007	Utility Management Services	12		

Utility Billing Rate Schedule

Customer Service, Billing, and Collections		
Customers	Monthly Price Per Customer	Annual Price per Customer
0-200	\$6.30	\$75.60
201-500	\$6.00	\$72.00
501-1000	\$5.90	\$70.80
1001-1500	\$5.80	\$69.60
1501-2000	\$5.75	\$69.00
2001-2500	\$5.67	\$68.04
2501-3000	\$5.65	\$67.80

This fee shall be payable and due ten days after invoicing. Invoicing is expected to occur on or around the first day of each month for services rendered for the previous month.

1. ADJUSTMENTS AND ADDITIONS TO MONTHLY OPERATING FEE

- a) Maintenance, replacement, repair, upgrade, rehabilitation and new installation outside the scope of the Operator in Responsible Charge (as approved by the Owner) shall be

invoiced separately and will be based on time and materials needed for the job, payable to Envirolink within 15 days of invoice date.

- b) For additional services beyond the in-house capabilities of Envirolink, a markup of 15% will be made to all subcontractor labor and equipment, as well as purchased material, supplies and travel expenses.
- c) These fees shall be payable and due fifteen (15) days after invoicing. Invoicing is expected to occur on or around the fifteenth of each month for services rendered for the previous month. Owner further promises to pay interest on any outstanding balances not paid within 15 days until paid in full at an interest rate equal to eight percent (8%) per annum, compounded daily, and such interest shall be payable in full on the date that the initial unpaid balance became due and payable. All computations of interest shall be made on the basis of a year of 360 days based upon the actual number of days elapsed. Notwithstanding the foregoing, all unpaid balances and interest payments shall be subject to the Right to Setoff provisions contained in Article 7.

2. ANNUAL ADJUSTMENTS

Provided that the Contract Start Date is prior to January 1, 2023, Envirolink shall be entitled to adjust service fees on January 1, 2023 and on January 1 of each calendar year thereafter during the Term. Adjustments to service fees shall not occur more frequently than annually. Envirolink shall notify Owner of its annual adjustment 30 days prior to adjusting any service fees.

Annual fee adjustments will be based on the following:

1. Consumer Price Index (CPI)

Envirolink shall review actual cost required to operate, manage and maintain the Utility systems (including any known increases in cost of goods, supplies, etc.) in determining the actual cost. Envirolink shall be allowed to earn a fair and reasonable profit and charge a fair and reasonable Administration fee (overhead).

This paragraph applies to CLIN/Sub-CLINs 0001 - 0002 only, and does not apply to any other CLIN/Sub-CLIN as may be added unless specified in CLIN/SubCLIN. However, neither party shall request a change to CLIN/Sub-CLINs 0001 -0002 to become effective sooner than 1 year from the Contract Start Date or more frequently than annually.

Any changes to charges, terms, or conditions as a result of adjustments shall be made part of this contract and will be initiated on July 1 of each calendar year.

3. TASK ORDER AUTHORIZATION FOR ADDITIONAL WORK

All additional work under this Agreement, except for emergency situations, must be pre-approved and authorized by a representative of the Owner.

Exhibit E

ENVIROLINK PREFERRED CLIENT RATE SCHEDULE FOR ADDITIONAL SERVICES

Envirolink 2021 Labor Rates		
Line	Position	Hourly Rate*
1	Director of Utility	\$ 300.00
2	Supervisor	\$ 257.00
3	Senior Project Manager	\$ 180.00
4	Construction Inspector	\$ 90.00
5	Project Manager	\$ 85.00
6	Executive Assistant	\$ 55.00
7	Office/Billing Manager	\$ 50.00
8	Office Assistant	\$ 35.00
9	Inspector	\$ 65.00
10	Serviceperson II - Foreman	\$ 50.00
11	Serviceperson I - Skilled	\$ 45.00
12	Laborer	\$ 38.00
11	Grade A - Water	\$ 70.00
12	Grade B - Water	\$ 60.00
13	Grade C - Water	\$ 52.00
14	Cross Connection Operator	\$ 50.00
15	Senior Laboratory Technician	\$ 50.00
16	Laboratory Technician	\$ 40.00
17	Analyst	\$ 37.00
18	Driver	\$ 35.00
19	Grade IV - Wastewater	\$ 75.00
20	Grade III - Wastewater	\$ 60.00
21	Grade II - Wastewater	\$ 52.00
22	Grade I - Wastewater	\$ 47.00
23	Spray Irrigation System Operator	\$ 53.00
24	Physical/Chemical Operator II	\$ 55.00
25	Physical/Chemical Operator I	\$ 50.00
26	Subsurface Operator	\$ 55.00
27	Land Application Operator	\$ 55.00
28	Administration: Billing & Customer Service Representative	\$ 47.00
	Rates applicable from 0700 hours (7:00 am) to 1700 hours (5:00 pm)	
	Overtime rate = 1.5 x regular rate. Overtime rates apply from	
	1700 hours (5:00 pm) to 0700 hours (7:00 am)	

Envirolink 2021 Equipment Rates		
Mobilization		
0-30 mile	\$	250.00
31-60 mile	\$	350.00
61-90 mile	\$	450.00
91-120 mile	\$	550.00
Equipment		
Equipment	Rate	Per
Rubber Tire Backhoe	\$ 320.00	day
Mini Excavator	\$ 360.00	day
Operator Truck	\$ 120.00	day
Maintenance Truck	\$ 240.00	day
Crane Truck (3 ton)	\$ 270.00	day
Combination Truck	\$2,000.00	day
Vacuum Truck	\$1,000.00	day
Mainline Camera	\$ 880.00	day
Push Camera	\$ 600.00	day
Flow Monitoring - Sewer	\$ 25.00	day
Leak Detection	\$ 75.00	day
2" Trash Pump	\$ 80.00	day
3" Trash Pump	\$ 80.00	day
4" Trash Pump	\$ 185.00	day
140 kw Generator	\$ 440.00	day
Air Compressor	\$ 360.00	day
Street Sweeper	Cost +	day
Leaf Truck	\$ 120.00	day
Chipper	\$ 200.00	day
6 kw Generator	\$ 45.00	day
Jetter	\$1,200.00	day
CFE PPE & Equipment	\$ 75.00	day
Smoke Testing Equipment	\$ 35.00	day
GPS Unit	\$ 35.00	day

Envirolink 2021 Unit Pricing Rates		
Service (includes labor)	2018 Rate	Per
Confined Space Entry	\$ 75.00	Entry
Mainline Camera (Readily accessible)		
8 - 12" (1 pass)	\$ 2.00	Foot
15 - 18" (1 pass)	\$ 2.50	Foot
21 - 27" (1 pass)	\$ 2.90	Foot
30" (1 pass)	\$ 4.00	Foot
36 - 96" (1 pass)	\$ 5.90	Foot
Manhole Inspections	\$ 65.00	Each
Hydrant Flow Test (2 hydrant procedure)	\$ 350.00	Each
Meter		
3/4" x 5/8" meter (direct read)	\$ 55.00	Each
3/4" x 5/8" meter (radio read)		Each
3/4" x 5/8" meter (smart)		Each
Customer Service & Billing	\$ 4.25	Bill
Customer Service, Billing & Meter Reading	\$ 5.10	Bill
Backflow Prevention Certification	Cost + 15%	
Subcontractor	Cost + 15%	
Supplies	Cost + 15%	
Parts	Cost + 15%	

ACQUISITION OF THE ASSETS OF

WILLIAM G. FREED, INC.

(“SELLER”)

by

ENVIROLINK, INC.

(“BUYER”)

Dated as of February 6, 2020.

CLOSING BINDER

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ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “**Agreement**”) is made and entered into as of February 6, 2020 (the “**Effective Date**”), by and among Envirolink, Inc., a North Carolina corporation (the “**Buyer**”), William G. Freed, Inc., a North Carolina corporation (“**Seller**”), and William G. Freed, an individual and resident of Currituck County, North Carolina (“**Owner**”). Buyer, Seller, and Owner are sometimes referred to singularly as a “**Party**” and collectively as the “**Parties**.”

RECITALS:

WHEREAS, Seller is engaged in the business of providing sampling and contract operations for governmental and privately-owned water and wastewater systems primarily located in North Carolina (the “**Business**”); and

WHEREAS, the Buyer desires to purchase and assume, and the Seller desires to sell and assign, certain assets, properties, and rights utilized by Seller in conjunction with the operation of its Business, except for the Excluded Assets (as defined below) and certain liabilities involved with the Business, all as set forth below.

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants and agreements set forth in this Agreement, the parties hereby agree as follows:

1. The Transaction.

1.1 Purchase and Sale of Assets.

(a) Upon the terms and subject to the conditions of this Agreement, the Seller hereby sells, transfers, assigns, conveys and delivers to the Buyer all of the Seller’s right, title, and interest in and to the Assets (as defined below), free and clear of all liens, pledges, charges, or encumbrances of any nature whatsoever. The “**Assets**” means all of the assets “**Related to the Business**” (as defined below), including, without limitation, all of the following tangible and intangible assets:

(i) all tangible personal property Related to the Business, including, without limitation, computer hardware, furniture, furnishings, office equipment and trade fixtures;

(ii) all intellectual property rights Related to the Business, including, without limitation, all software programs, copyrights, trademarks, service marks, trade names ([REDACTED]) trade secrets, web domains and websites ([REDACTED]), trade dresses and goodwill related thereto, including the software and the registered and unregistered copyrights, copyright applications, trademarks and trademark applications set forth on Schedule 1.1(a)(ii) and any associated goodwill (the “**Intellectual Property Assets**”);

(iii) the rights and current, ordinary course obligations under contracts and agreements to which the Seller is a party (the “**Contracts**”), which shall be set forth on Schedule 1.1(a)(iii);

(iv) the licenses, permits and certificates from federal, state and local authorities and from certifying or self-governing professional organizations (the “**Permits**”), which shall be set forth on Schedule 1(a)(iv);

(v) the fixed assets of the Seller, which shall be set forth on Schedule 1(a)(v);

(vi) all goodwill and going concern value associated with the Business;

(vii) all credits, prepaid expenses, deferred charges, advance payments, security deposits and other prepaid items, which shall be set forth on Schedule 1(a)(vii); and

(viii) except as otherwise provided in Section 1.1(b), all original or copies of all books, records, and other documents related to the Business that are held by the Sellers, including, but not limited to, marketing, advertising and promotional materials, accounting records, financial reports, property tax filings and materials, fixed asset lists, customer lists, vendor lists, personnel files, referral sources, research and development reports, Phase I environmental site assessments or other environmental records, assessments and reports, telephone numbers, records and information, manuals, correspondence, files and any similar items, but excluding all of the Seller’s corporate records and other tax returns.

“**Related to the Business**” means primarily used or held for use by Seller in, or primarily related to, or primarily arising from, the Business, or owned by Seller. For the avoidance of doubt, the Assets include all assets Related to the Business, except for the Excluded Assets, regardless of whether such assets are set forth on the Schedules attached hereto.

(b) **Excluded Assets.** The Assets will not include: (i) [REDACTED]; (ii) [REDACTED]; (iii) all books and records of the Seller that are required by law to be retained, so long as copies of such books and records are provided to the Buyer; (iv) all returns, reports, notices, forms, and other documents relating to any taxes, other than property taxes; provided, that the Assets will include copies of any tax returns or other information related to taxes of the Business or the Seller that the Buyer may reasonably request in writing, which the Seller shall provide within five (5) business days after the Buyer’s request; (v) rights to any tax refunds; (vi) the rights that accrue or will accrue to the Seller under this Agreement or any agreement delivered in connection herewith; (vii) the construction equipment reflected on Schedule 1.1(b) which shall be conveyed to an affiliate of Seller at or prior to Closing; (viii) any assets of Enviro-Tech Unlimited Construction Services LLC as reflected on Schedule 1.1(b); and (ix) those other assets listed on Schedule 1.1(b) (collectively, the “**Excluded Assets**”).

1.2 **Assumption and Exclusion of Liabilities.** The Buyer hereby agrees to assume and agrees to perform, pay and discharge only the obligations first arising under the Contracts after the Effective Date (the “**Assumed Liabilities**”). Except for the Assumed Liabilities, the Buyer will have no obligation with respect to, and the Seller shall be solely responsible for discharging all other liabilities or obligations of the Seller, including, without limitation, all liabilities arising from the operation of the Business prior to Closing, all liabilities associated with any other business or activity of Seller or Owner, all indebtedness of the Business and any and all taxes or tax obligations of the Seller or any equity owner of any Seller (“**Excluded Liabilities**”).

1.3 **Purchase Price.** The purchase price for the Assets (the “**Purchase Price**”) shall be up to a maximum of [REDACTED] ([REDACTED]), paid pursuant to the terms of this Agreement. The Purchase Price shall be payable as follows:

(a) The sum of [REDACTED] ([REDACTED]); the “**Closing Cash Payment**”), will be payable in cash at the Closing (as defined herein) via wire transfer to an account or accounts designated in writing by the Seller at least two (2) days prior to Closing.

(b) The Seller shall be entitled to such additional sums, if any, pursuant to the Earnout set forth in Section 1.4 herein.

1.4 Post Effective Date Earnout. The following Post Effective Date Earnout Payment (the “**Earnout**”) shall be payable by Buyer to Seller in accordance with the following terms and conditions:

(a) Subject to a maximum Earnout payment of [REDACTED] ([REDACTED]), Buyer shall pay to Seller an additional sum based on the [REDACTED] customer contracts reflected on Schedule 1.4(a) (the “[REDACTED] **Contracts**”) which are assigned over to and/or renewed in Buyer’s name during the one year period beginning on the Effective Date and ending on the one-year anniversary of the Effective Date (the “**Earnout Period**”).

(b) The Earnout Payment shall be calculated during the Earnout Period as follows:

(i) The [REDACTED] derived from the [REDACTED] Contracts for the [REDACTED] fiscal year (which shall not include revenue associated with [REDACTED]) shall be determined, along with the percentage of such total annual revenue attributable to each individual [REDACTED] Contract (with regards to each [REDACTED] Contract, the “**Revenue Percentage**”).

(ii) For each [REDACTED] Contract that is assigned or converted over to a contract with the Buyer (each a “**New Contract**”), Seller shall receive an amount credited towards the Earnout calculated as follows:

(1) If the New Contract resulting from a [REDACTED] Contract is for a term of three (3) years or greater, the Revenue Percentage of such [REDACTED] Contract multiplied by [REDACTED];

(2) If the New Contract resulting from a [REDACTED] Contract is for a term of at least two (2) years but less than three (3) years, two-thirds (2/3) of the Revenue Percentage of such [REDACTED] Contract multiplied by [REDACTED];

(3) If the New Contract resulting from a [REDACTED] Contract is for a term of less than two (2) years, Seller shall [REDACTED] the Earnout.

(c) The Earnout shall be calculated on a quarterly basis. Within thirty (30) days after the end of Buyer’s fiscal quarter, Buyer shall prepare and deliver to the Seller a written statement (the “**Earnout Statement**”), detailing the [REDACTED] Contracts which were converted to New Contracts and the associated Earnout payment due with respect thereto. Buyer shall also concurrently tender a check to Seller for the portion of the Earnout due as reflected on the applicable Earnout Statement.

(d) Subject to the terms of this Agreement, after the Closing, Buyer shall have sole discretion with regard to all matters relating to the operation of the Business; provided, however, that, from the Closing Date until the end of the Earnout Period, Buyer agrees that: (i) the Business will be conducted in good faith as a going concern and in accordance with applicable law; (ii) Buyer will act in all respects in utmost good faith with respect to the operation of the Business, (iii) neither Buyer nor any affiliate of Buyer will unduly delay the execution a New Contract or assignment of an existing contract so as to have the effect of shifting the effective date of such New Contract or assigned contract outside of the Earnout Period, (iv) neither Buyer nor any affiliate of Buyer will execute a New Contract or modify an existing contract to have a shorter term than commercially possible based on negotiations with the counter party if the purpose of such shorter term is to decrease the amount of the Earnout, and (v) neither Buyer nor any affiliate of Buyer will enter into any agreement or arrangement that would be reasonably expected to have the effect

of artificially shifting revenues associated with a [REDACTED] Contract into or out of the Business (collectively, the covenants set forth in this Section 1.4(d) are the “**Earnout Covenants**”).

1.5 Allocation of Purchase Price. [REDACTED]

1.6 The Closing. The closing (the “**Closing**”) of the sale and transfer of the Contracts and Assets by the Seller to the Buyer shall take place on the Effective Date and with each New Contract execution. Each Closing may be conducted by the electronic exchange of facsimile counterpart signature pages. Unless otherwise agreed in writing by the Parties, the Closing will be deemed effective as of 12:01 a.m. (EDT) on the date of the Closing.

(a) Seller’s Deliverables. At the Closing, the Seller will deliver to the Buyer:

(i) Physical custody of the Assets, free of all liens and encumbrances, other than liens listed on Schedule 1.6(a)(i);

(ii) assignment and transfer documents for the Assets as reasonably requested by the Buyer, including, but not limited to a Bill of Sale, [REDACTED] attached hereto as Exhibit A (the “**Bill of Sale, Assignment and Assumption**”), together with other appropriate instruments of transfer to convey the same to Buyer;

(iii) a certificate of Seller in the form attached hereto as Exhibit B containing resolutions duly adopted by the shareholders and directors of Seller authorizing the execution of this Agreement and the transactions contemplated hereby;

(iv) the [REDACTED] in the form attached hereto as Exhibit C;

(v) the [REDACTED] in the form attached hereto as Exhibit D;

(vi) A duly executed non-foreign person affidavit of Seller dated as of the Closing Date, sworn under penalty of perjury and in form and substance required under the Treasury Regulations issued pursuant to Section 1445 of the Code, stating that Seller is not a “foreign person” as defined in Section 1445 of the Code

(vii) a Certificate of Existence of Seller, issued by the North Carolina Secretary of State no more than thirty (30) days prior to Closing;

(viii) a tax clearance certificate from the North Carolina Department of Revenue dated within thirty (30) days of the Closing; and

(ix) such other closing instruments and certificates as may be reasonably requested by Buyer

(b) Buyer’s Deliverables. At the Closing, the Buyer will deliver:

- (i) to the Seller, the Closing Cash Payment;
- (ii) to the Seller, the Bill of Sale, [REDACTED] executed by the Buyer;
- (iii) the [REDACTED] attached hereto as Exhibit C;
- (iv) such other closing instruments and certificates as may be reasonably requested by Seller or Owner.

2. Representations of the Seller with Respect to the Assets. The Seller hereby represents and warrants to the Buyer as follows:

2.1 Organization, Qualification and Authorization. Seller is duly organized, validly existing and in good standing under the laws of the State of North Carolina, and has all requisite power and authority to own the Assets, to carry on the Business as now being conducted, to execute and deliver this Agreement and the agreements contemplated herein, and to consummate the transactions contemplated hereby. Schedule 2.1 sets forth each jurisdiction in which Seller is licensed or qualified to do business. Seller is duly qualified to do business and is in good standing in all jurisdictions in which such Seller's ownership of property or the character of the Business requires such qualification. The execution and delivery of this Agreement by the Seller, and the agreements provided for herein, and the consummation by the Seller of all transactions contemplated hereby, have been duly authorized by all requisite corporate action. This Agreement has been, and all ancillary agreements to which the Seller is a party, upon their execution by such Seller, have been, duly executed and delivered by Seller, and, assuming due execution and delivery by the Buyer and the other parties to this Agreement and all ancillary agreements, this Agreement constitutes, and upon their execution of all ancillary agreements to which the Seller is a party shall constitute, legal, valid and binding obligations of the Seller, enforceable against it in accordance with their respective terms. No consents or approvals of, or notices to, third parties are required in connection with the consummation by the Seller of the transactions contemplated by this Agreement except as described in Schedule 2.1.

2.2 Ownership of the Assets. Other than liens listed on Schedule 1.6(a)(i), the Seller has good and marketable title to, or a valid leasehold interest in, all of the Assets, free and clear of all mortgages, liens, liabilities, liens, pledges, charges or encumbrances of any kind or nature whatsoever. All tangible Assets, whether owned or leased by the Seller, are free from material defects (patent and latent), have been maintained in accordance with normal industry practice, are in good operating condition and repair (subject to normal wear and tear), and are adequate and suitable for the purposes for which they are presently being used or held for use.

2.3 Financial Statements. Schedule 2.3 sets forth correct and complete copies of (a) the balance sheet and income statement of the Seller as of December 31, 2019, and the related statements of income for the twelve-month periods then ended. All such financial information is accurate and complete in all respects, and, except as set forth on Schedule 2.3, (i) has been prepared from the books and records of the Seller and (ii) presents fairly in all material respects the financial condition, operating results and cash flows of the Business, as of the dates and for the periods indicated therein.

2.4 No Conflict. Neither the execution, delivery and performance of this Agreement nor the consummation of the transactions contemplated hereby will: (a) violate or conflict with any statutes, rules, regulations, orders, ordinances, judgments, decrees and requirements of any legislative, administrative or regulatory authority, agency, board, subdivision, instrumentality or commission or other governmental or

quasi-governmental entity, including courts and tribunals of competent jurisdiction, whether domestic or foreign, and whether federal, state, county, city or local (each a “**Legal Requirement**” and collectively, “**Legal Requirements**”) applicable to such party or by which its properties or assets are bound, (b) contravene any provision contained in the organizational documents of either of the Seller, (c) conflict with, violate or result in a breach (with or without the lapse of time, the giving of notice or both) of, or constitute a default (with or without the lapse of time, the giving of notice or both) or result in the creation of any lien under (i) any contract or (ii) any Legal Requirement or other restriction of any governmental authority to which the Seller is bound or to which the assets or properties of the Seller are subject, or (d) result in the acceleration of, or permit any person or entity to terminate, modify, cancel, accelerate or declare due and payable prior to its stated maturity, any material obligation of the Seller, except in the case of clauses (c) and (d) above as would not, individually or in the aggregate, reasonably be expected to either be materially adverse to the Business or materially affect the ability of the Seller to timely consummate the transactions contemplated by this Agreement.

2.5 Litigation. Neither Seller nor any of its respective officers, directors, managers, employees, trustees or representatives, in their respective capacities as such, is a party to, and has not been threatened with, any litigation, suit, action, investigation, proceeding or controversy (collectively, a “**Claim**”) before any court, administrative agency or other governmental authority. To the Seller’s Knowledge (as defined below), there exists no reasonable basis for a Claim. Seller is not in violation of or in default with respect to any judgment, order, writ, injunction, decree or rule of any court, administrative agency or governmental authority or any regulation of any administrative agency or governmental authority. “**Seller’s Knowledge**” means the actual or constructive knowledge of Owner or of any director, manager or officer of Seller, after due inquiry.

2.6 Change in Financial Condition and Assets. Except as set forth on Schedule 2.6, since November 19, 2019 there has been no material adverse change in the financial condition of the Business or the Assets, and to the Seller’s Knowledge, there is no existing or threatened occurrence, event or development, which could reasonably be expected to have a material adverse change in the financial condition of the Business or the Assets.

2.7 Tax Matters. The Seller (i) has properly filed or submitted all tax returns and other reports relating to taxes that are required to be filed by it, or with respect to the Assets or the Business, including all returns and other reports for states or locations in which the Business operates, and (ii) has paid all taxes, interest, penalties, assessments and deficiencies that have become due or that have been claimed to be due from it or in connection with the Assets or the Business. All such returns and other reports were, as of the date of filing, and are, as of the date hereof, true, accurate and in compliance with all applicable laws, rules and regulations. All tax withholding and deposit requirements imposed on or with respect to the Seller, the Assets or the Business have been satisfied in full in all respects. The Seller has not received any notice from (i) a jurisdiction in which it does not file a tax return that it is or may be subject to a requirement to do so, or (ii) from any jurisdiction in which it does file a tax return that it is or may be subject to taxation or filing a tax return for any type of tax for which it has not paid all such taxes and filed all required returns. No lien for taxes exists, and immediately after the Closing, no lien will exist, with respect to the Business or any of the Assets, nor, to the Seller’s Knowledge, is any governmental entity in the process of imposing any such liens. Schedule 2.7 lists all of the jurisdictions in which the Sellers are required to file tax returns or pay taxes relating to or in connection with the Business and the Assets.

2.8 Contracts. Schedule 1.1(a)(iii) contains a true, complete and correct list of the Seller’s contracts Related to the Business as currently conducted, except for any contracts for the purchase of goods or services involving commitments of the applicable Seller or the counterparty thereto of less than \$5,000 in any year and except for any contracts included on Schedule 1.1(b) (as Excluded Assets). Complete and accurate copies of all of the Contracts have been provided to the Buyer. Except as set forth on

Schedule 1.1(a)(iii): (i) each Contract is valid, binding and enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights generally and by general principles of equity; (ii) the Seller has complied with its obligations under each Contract and is not in default thereunder (and such Seller has not received notice of any claim of default); (iii) to the Seller's Knowledge, all other parties under such Contracts have complied with the provisions thereof and are not in default thereunder; (iv) to the Seller's Knowledge, no party to any Contract intends to terminate or amend the terms thereof or to refuse to renew any such Contract upon expiration of its term; (v) no Contract imposes any non-competition, non-solicitation or exclusivity obligations on any Seller or the Business; (vi) no Contract assigns, licenses, limits or purports to limit any intellectual property rights; (vii) there are no powers of attorney with respect to the Business or any Asset.

2.9 Intentionally Omitted.

2.10 Permits; Compliance with Laws. The Seller has all requisite licenses, permits and certificates from federal, state and local authorities and from any certifying or self-governing professional organization necessary to conduct the Business (collectively, the "**Permits**"). Schedule 2.10 sets forth a true, correct and complete list of all such Permits held by any Seller and, except as described in Schedule 2.10, all such Permits are full force and effect and are freely transferrable to the Buyer in accordance with the terms of this Agreement. The Seller has been and currently are in compliance with all laws applicable to the Business or by which any Asset is bound and Seller is not in violation of any Legal Requirement. Except as described in Schedule 2.10, Seller has not, in the last three (3) years, received any notice or communication from any federal, state or local governmental, regulatory, or certifying authority or otherwise of any such violation or noncompliance.

2.11 Absence of Certain Changes or Events. Since December 31, 2018, and except as described in Schedule 2.11, Seller has not entered into any transaction which is not in the usual and ordinary course of business and, without limiting the generality of the foregoing, Seller has not taken any of the following actions: (a) marketed its products and services in a manner other than in the usual and ordinary course of business; (b) collected accounts receivable in a manner other than in the usual and ordinary course of business; (c) experienced a material change in the outstanding balance or aging of accounts receivable; (d) conducted renewal programs other than in the usual and ordinary course of business; (e) modified the sales price or entered into any promotional offers relating to its products or services other than in the usual and ordinary course of business; (f) failed to pay accounts payable when due; or (g) sold or otherwise disposed of any material assets.

2.12 Intellectual Property.

(a) Schedule 1.2(a)(ii) sets forth a true, correct and complete list of all: (i) Intellectual Property Assets that are subject to any issuance, registration, application or other filing by, to or with any governmental authority or authorized private registrar in any jurisdiction, including registered trademarks, domain names and copyrights, issued and reissued patents and pending applications for any of the foregoing; and (ii) Intellectual Property Assets, including software, that are not registered but that are material to the operation of the Business.

(b) All required filings and fees related to the Intellectual Property Asset registrations described in Section 2.12(a)(i) have been timely filed with and paid to the relevant governmental authorities and authorized registrars, and are otherwise in good standing.

(c) The applicable Seller named on Schedule 1.2(a)(ii) is the sole and exclusive legal and beneficial owner of all right, title, and interest in and to such intellectual property, and has the valid right to use all other intellectual property used in or necessary for the conduct of the Business as currently

conducted, in each case, free and clear of encumbrances. To the Seller's knowledge, no person (including any current or former employee, current or former independent contractor or current or former consultant of Seller) has, or has threatened to, infringe on, misappropriate or violate any intellectual property of the Seller.

(d) The Intellectual Property Assets and all intellectual property licensed under the Contracts are all of the intellectual property necessary to operate the Business as presently conducted. The consummation of the transactions contemplated hereunder will not result in the loss or impairment of or payment of any additional amounts with respect to, nor require the consent of any other person or entity in respect of, the Buyer's right to own, use or hold for use any Intellectual Property Assets as owned, used or held for use in the conduct of the Business as currently conducted.

(e) The Seller's rights in the Intellectual Property Assets are valid, subsisting and enforceable. The Seller has taken all reasonable steps to maintain the Intellectual Property Assets and to protect and preserve the confidentiality of all trade secrets included in the Intellectual Property Assets, including requiring all persons or entities having access thereto to execute written non-disclosure agreements.

(f) The conduct of the Business as currently and formerly conducted, and the Intellectual Property Assets and intellectual property licensed under the Contracts as currently or formerly owned, licensed or used by the Seller, have not infringed, misappropriated, diluted or otherwise violated, and have not, do not and will not infringe, dilute, misappropriate or otherwise violate, the intellectual property or other rights of any person or entity. No person or entity has infringed, misappropriated, diluted or otherwise violated, or is currently infringing, misappropriating, diluting or otherwise violating, any Intellectual Property Assets.

(g) There are no actions, claims, or legal proceedings (including any oppositions, interferences or re-examinations) settled, pending or threatened (including in the form of offers to obtain a license): (i) alleging any infringement, misappropriation, dilution or violation of the intellectual property of any person or entity by Seller in connection with the Business or any other business of the Seller; (ii) challenging the validity, enforceability, registrability or Ownership of any Intellectual Property Assets or the Seller's rights with respect to any Intellectual Property Assets; or (iii) by Seller or any other person or entity alleging any infringement, misappropriation, dilution or violation by any person or entity of any Intellectual Property Assets. No Seller is subject to any outstanding or prospective governmental order (including any motion or petition therefor) that does or would restrict or impair the use of any Intellectual Property Assets.

2.13 Related Party Transactions. Unless specified on Schedule 2.13, none of the Contracts involves any agreement with, or any other commitment to: (i) any officer, director, manager or equity holder of Seller; (ii) any person directly related by blood or marriage to any such officer, director, manager or equity holder; or (iii) any corporation, limited liability company, partnership, trust or other entity in which an Owner, a Seller or any officer, manager, or member, or related person of an Owner or Seller has any material equity or participating interest.

2.14 Data Privacy. In connection with its collection, storage, transfer (including, without limitation, any transfer across national borders) and/or use of any personally identifiable information from any individuals, including, without limitation, any customers, prospective customers, employees and/or other third parties (collectively "**Personal Information**"), Seller is and has been in compliance with all applicable laws in all relevant jurisdictions, such Seller's privacy policies and the requirements of any contract or codes of conduct to which it is a party. Seller has commercially reasonable physical, technical, organizational and administrative security measures and policies in place to protect all Personal Information

collected by it or on its behalf from and against unauthorized access, use and/or disclosure. Seller is and has been in compliance in all material respects with all laws relating to data loss, theft and breach of security notification obligations.

2.15 Real Property.

(a) The Seller does not own and has never owned any real property. Schedule 2.15 sets forth a correct and complete list of all real property currently leased by the Seller and used or occupied by the Seller for the operation of the Business (the “**Leased Real Property**”). The Seller has good and marketable leasehold title to all Leased Real Property. Schedule 2.15 lists all leases, lease guaranties, subleases, agreements for the leasing, use or occupancy of, or otherwise granting a right in or relating to the Leased Real Property, including all amendments, terminations and modifications thereof (the “**Lease Agreements**”), and there are no other Lease Agreements affecting the Leased Real Property or to which the Seller is bound. The Seller has provided the Buyer with correct and complete copies of each Lease Agreement. Sellers has not received any notice of a default, alleged failure to perform, or any offset or counterclaim with respect to any Lease Agreement, which has not been fully remedied and withdrawn. Except as set out in Schedule 2.15, the consummation of the transactions contemplated by this Agreement will not (i) affect the enforceability against any person or entity of any Lease Agreement, (ii) require the consent of any party to any Lease Agreement or (iii) result in a breach of any Lease Agreement or permit any party to any Lease Agreement to modify the terms of such Lease Agreement following the Closing. To the Seller’s Knowledge there are no Phase I Environmental Site Assessments or other environmental reports addressing the presence or possible presence of Hazardous Materials (as defined below) at, or beneath, the Leased Real Property. “**Hazardous Material**” means any material regulated under Environmental Laws (as defined below).

(b) The Leased Real Property is in good operating condition and repair, free from structural, physical and mechanical defects, is maintained in a manner consistent with standards generally followed with respect to similar properties, and is structurally sufficient and otherwise suitable for the conduct of the Business as presently conducted.

(c) To the Seller’s Knowledge there are no Hazardous Materials, or underground storage tanks, present at, on or beneath the Leased Real Property. The Seller has at all times been in compliance with all laws, rules and regulations relating to the protection of human health or the environment (the “**Environmental Laws**”). The Seller has not received any written notice alleging a violation of Environmental Laws. There are no circumstances that could reasonably be expected to form the basis of any liability under Environmental Laws with respect to the Business or the Leased Real Property. No Hazardous Materials relating to the Business have been disposed of at a property included in the federal CERCLIS List or a corresponding state or local database.

2.16 Insurance. Schedule 2.16 lists all insurance policies covering the Assets, the Leased Real Property, and the employees, officers, directors and managers (in their respective capacities as such) of the Sellers.

2.17 Intentionally Omitted.

2.18 Employees.

(a) Schedule 2.18 contains a true and complete list of all employees of the Seller working primarily in the Business, which list sets forth the names and positions of all such employees and their current annual salaries, hourly wage rates, commissions and bonus arrangements and descriptions of the material terms of any other compensation and benefit arrangements for employees in existence or

proposed by the Seller, including, without limitation, any profit participation or similar rights, arrangements or plans.

(b) All employees of the Seller referenced on Schedule 2.18 (including any employees with an employment agreement) are terminable at will. To the Seller's Knowledge, no executive, key employee, or significant group of employees has any plans to terminate employment with the Seller.

(c) Seller is not a party to or bound by any collective bargaining agreement, nor has Seller experienced any strike, labor dispute, material grievance, claims of unfair labor practice or other collective bargaining dispute within the past five (5) years. To the Seller's Knowledge, there is no organizational effort presently being made or threatened by or on behalf of any labor union with respect to employees of the Sellers.

(d) Seller has complied in all material respects with all applicable federal, state and local laws, rules, and regulations relating to employment and employment practices, terms and conditions of employment, the payment of wages for hours worked, and the payment and withholding of taxes and other sums as required by appropriate governmental authorities, discrimination and harassment, family and medical leave, military leave, collective bargaining or other (unfair) labor practices, occupational health and safety, and immigration. Seller has not and is not engaged in any unfair labor practice or other unlawful employment practice, and there are no complaints, claims, charges or investigations of any unfair labor practice or other unlawful employment practice pending or threatened against Seller before the National Labor Relations Board, the Equal Employment Opportunity Commission, any state or federal Department of Labor, the Occupational Safety and Health Administration, or any other governmental authority. Seller has not received notice of the intention of any governmental authority (including, but not limited to, the Equal Employment Opportunity Commission, any state or federal Department of Labor, the National Labor Relations Board, the Occupational Safety and Health Administration, and/or the Internal Revenue Service) responsible for the enforcement of laws related to labor, employment, occupational health and safety or workplace safety, insurance and/or workers' compensation, taxation of employee earnings and/or the classification of employees to conduct an investigation or begin an inquiry of or affecting the Seller, and, to the Seller's Knowledge, no such investigation or inquiry is anticipated.

(e) The Seller's workforce is appropriately and correctly classified and in compliance with all laws governing the classification of employees including, but not limited to the Fair Labor Standards Act, the Internal Revenue Code and any other federal, state or local law governing the payment of wages and/or the retention and submission of monies withheld from wages as required by federal, state and/or local law.

(f) Except as set forth in Schedule 2.18, the consummation of the transactions contemplated under this Agreement will not cause the Buyer or the Seller to incur or suffer any liability relating to, or obligations to pay, any severance payments, bonuses, fees, incentives or other payments to any person or entity, including any employees, members, officers, managers, agents, consultants or representatives of the Seller. No cash payments are due to Seller's employees or workers with respect to commissions, bonuses, accrued vacation and sick pay, vehicle usage, severance or other perquisites.

(g) Within the past five (5) years, Seller has not implemented any mass layoff, plant closing or other termination of employees that could implicate the Worker Adjustment and Retraining Notification Act (WARN Act) or any similar state or local law, and no such action will be implemented without notice to the Buyer. With respect to this transaction, any notice required under law has been given.

2.19 Employee Benefits

(a) Schedule 2.19 lists every pension, retirement, profit-sharing, severance, vacation, deferred compensation, bonus or other incentive plan, or other employee benefit program, arrangement, agreement or understanding, or medical, vision, dental or other health plan, or life insurance or disability plan, retiree medical or life insurance plan or any other employee benefit plans or fringe benefit arrangements, including, without limitation, any “employee benefit plan” as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), to which any Seller has contributed or is a party, or by which any Seller or an ERISA Affiliate may have liability (the “**Seller Benefit Plans**”). “ERISA Affiliate” means any entity that is a member of (i) a controlled group of corporations (as defined in Section 414(b) of the Code), (ii) a group of trades or businesses under common control (as defined in Section 414(c) of the Code), (iii) an affiliated service group (as defined under Section 414(m) of the Code or the Treasury Regulations under Section 414(o) of the Code) or (iv) a “controlled group” within the meaning of Section 4001 of ERISA, any of which includes, as applicable, a Seller.

(b) Except as set forth in Schedule 2.19(b) the transactions under this Agreement will not result in liability for severance pay, or for events occurring or expenses incurred after termination of employment, or any similar payment to the employees of the Seller.

(c) All obligations of the Seller, ERISA Affiliates and each fiduciary under each Seller Benefit Plan, whether arising by operation of law or by contract, required to be performed under Section 4980B of the Code, as amended, and Sections 601 through 609 of ERISA, or similar state law (“COBRA”), including such obligations that may arise by virtue of the transactions contemplated by this Agreement, have been or will be timely performed in all material respects.

(d) Neither the Seller nor any ERISA Affiliate has ever maintained, established, sponsored, participated in, or contributed to, any (i) employee benefit plan subject to Section 412 of the Code or Title IV of ERISA, (ii) “multiemployer plan” within the meaning of Section (3)(37) of ERISA, (iii) “multiple employer plan” within the meaning of Sections 4063 or 4064 of ERISA or (iv) “funded welfare plan” within the meaning of Section 419 of the Code.

(e) Except as disclosed in Schedule 2.19(e), no Seller Benefit Plan provides health or disability benefits that are not fully insured through an insurance contract.

(f) The Seller has no liability to provide post-termination or retiree life insurance, health or other retiree employee welfare benefits to any individual for any reason, and Seller has never represented, promised or contracted (whether in oral or written form) to any employee, consultant or director (either individually or to a group) or any other individual that such individual would be provided with post-termination or retiree life insurance, health or other employee welfare benefit, except to the extent required by statute.

(g) Each Seller Benefit Plan that provides for health benefits has been established, administered and maintained in accordance with the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, including all applicable reporting, tax deposits and fee payment obligations thereunder, as applicable.

(h) Seller nor any of ERISA Affiliates maintains any employee benefit plan or arrangement that is governed by the laws of any government outside of the United States.

(i) Any individual who performs services for the Seller and who is not treated as an employee for federal income tax purposes by the Seller is not an employee under applicable law or for any purpose including for tax withholding purposes or Seller Benefit Plan purposes.

2.20 Sufficiency of Assets. The Assets are sufficient to permit the Buyer to operate the Business from and after the Closing in substantially the same manner and to the extent as the Business is currently conducted by the Seller, and the Assets constitute substantially all of the rights, property and assets necessary to conduct the Business in the manner currently conducted by the Seller. The Buyer recognizes that cash and cash equivalents are not Assets but are needed to conduct the Business in the manner currently conducted by the Seller.

2.21 No Broker. No broker, investment banker, financial advisor or other person or entity is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the sale of the Business and the other transactions contemplated by this Agreement based upon arrangements made by any Owner, Seller or, to the Seller's Knowledge, their respective directors, managers, officers or any other person or entity acting on a Seller's behalf.

2.22 Accuracy of Representations and Warranties. None of the representations or warranties of the Seller or Owner contained in this Agreement, the Schedules to this Agreement or any certificate or other document furnished to the Buyer pursuant to this Agreement contains any untrue statement of a material fact or omits or misstates a material fact necessary in order to make the statements contained herein or therein not misleading.

3. Representations of the Owner. Owner hereby represents and warrants to the Buyer as follows:

3.1 Authorization of Transaction. This Agreement has been, and upon their execution all ancillary agreements to which it is a party have been, duly executed and delivered by such party, and, assuming due execution and delivery by the Buyer and the other parties to this Agreement and all ancillary agreements, this Agreement constitutes, and upon their execution, all ancillary agreements to which he or she is a party shall constitute, legal, valid and binding obligations of such Owner, enforceable against him or her in accordance with their respective terms. No consents or approvals of, or notices to, third parties are required in connection with the consummation by such Owner of the transactions contemplated by this Agreement.

4. Representations of the Buyer. The Buyer represents and warrants to the Sellers as follows:

4.1 Organization and Authority. The Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of North Carolina, and has requisite power and authority to own its properties and to carry on its business as now being conducted. The Buyer has full power to execute and deliver this Agreement or the ancillary agreements to which it is a party and to consummate the transactions contemplated hereby.

4.2 Authorization. The execution and delivery of this Agreement and the agreements provided for herein by the Buyer, and the consummation by the Buyer of all transactions contemplated hereby, have been duly authorized by all requisite corporate action. The Board of Directors of the Buyer has duly adopted resolutions at a meeting or by written consent authorizing the transactions contemplated hereby and such resolution remains in full force and effect.

4.3 No Conflict. Neither the execution, delivery and performance of this Agreement nor the consummation of the transactions contemplated hereby will: (i) violate or conflict with any Legal Requirements applicable to the Buyer; (ii) contravene any provision contained in the organizational documents of Buyer, or (iii) conflict with, violate or result in a breach (with or without the lapse of time, the giving of notice or both) of, or constitute a default (with or without the lapse of time, the giving of notice or both) or result in the creation of any lien under (x) any contract or (y) any Legal Requirement or other

restriction of any governmental authority to which Buyer is bound or to which the assets or properties of Buyer are subject.

4.4 Execution and Binding Effect. This Agreement has been, and upon their execution all ancillary agreements to which it is a party have been, duly executed and delivered by Buyer, and, assuming due execution and delivery by the Seller and the other parties to this Agreement and all ancillary agreements, this Agreement constitutes, and upon their execution, all ancillary agreements to which Buyer is a party shall constitute, legal, valid and binding obligations of the Buyer, enforceable against the Buyer in accordance with their respective terms.

5. Indemnification

5.1 By the Seller and Owner. The Owner and the Seller hereby jointly and severally agree to indemnify and hold harmless the Buyer and its affiliates and each of their respective officers, directors, managers, employees, agents, successors and assigns from and against all claims, losses, damages, costs, expenses, interest, awards, judgments and penalties (including attorneys' fees) (collectively, "**Losses**") to the extent arising out of or resulting from (a) a breach by the Seller or Owner of any of its representations, warranties, or covenants under this Agreement, the other agreements contemplated hereby or in any certificate or instrument delivered by or on behalf of the Seller or the Owner pursuant to this Agreement, (b) any Excluded Assets or Excluded Liabilities; (c) any Seller Employee Liabilities (as defined below); and/or (d) the conduct of the Business and any other business of the Seller prior to Closing. The Owner hereby agrees to indemnify and hold harmless the Buyer and its affiliates and each of their respective officers, directors, managers, employees, agents, successors and assigns from and against all Losses to the extent arising out of or resulting from a breach by the Owner of any of its representations or warranties contained in Section 3.

5.2 By the Buyer. The Buyer hereby agrees to indemnify and hold harmless the Seller and the Owner from and against all Losses to the extent arising out of or resulting from: (a) a breach by the Buyer of any of its representations, warranties, or covenants under this Agreement, the other agreements contemplated hereby or in any certificate or instrument delivered by or on behalf of the Buyer pursuant to this Agreement; and/or (b) the conduct and operation of the Business subsequent to Closing, except to the extent to which the Seller is obligated to indemnify the Buyer pursuant to Section 5.1 above.

5.3 Certain Limitations.

(a) Notwithstanding the foregoing provisions of this Section 5, none of the Seller, the Owner or the Buyer will be required to indemnify and hold harmless another Party for any Losses under Section 5.1(a) or Section 5.2(a), as applicable, unless and until the aggregate amount of all Losses for which an indemnified person is entitled to indemnification hereunder exceeds Five Thousand dollars (\$5,000; the "**Threshold Amount**"), in which case such indemnified person will be entitled to recover all Losses without regard to the Threshold Amount (i.e. from the first dollar) up to a maximum aggregate amount equal to one-half of the Purchase Price the ("**Indemnification Cap**"). Notwithstanding the foregoing, any Losses arising from or related to (i) a breach of any Fundamental Representation (as defined in Section 13 below); or (ii) fraud or intentional misrepresentation will not be subject to either the Threshold Amount or the Indemnification Cap.

(b) For purposes of this Section 5, any inaccuracy in or breach of any representation or warranty shall be determined without regard to any materiality or other similar qualification contained in or otherwise applicable to such representation or warranty.

5.4 Conduct of Third Party Claims. If a Party entitled to indemnification hereunder (an “**Indemnified Party**”) shall receive notice of any claim brought by a third party (each, a “**Third Party Claim**”) against it that may give rise to a claim for Losses under this Section 5, within thirty (30) days of the receipt of such notice, the Indemnified Party shall give the party subject to the indemnification obligation hereunder (the “**Indemnifying Party**”) notice of such Third Party Claim; provided, however, that the failure to provide such notice shall not release the Indemnifying Party from any of its obligations under this Section 5 except to the extent that the Indemnifying Party is prejudiced by such failure. The Indemnifying Party shall be entitled to assume and control the defense of such Third Party Claim at its expense and through counsel of its choice if it gives notice of its intention to do so to the Indemnified Party within fifteen (15) days of the receipt of such notice from the Indemnified Party. If the Indemnifying Party elects to undertake any such defense against a Third Party Claim, the Indemnified Party may participate in such defense at its own expense. The Indemnified Party shall cooperate with the Indemnifying Party in such defense and make available to the Indemnifying Party, at the Indemnifying Party’s expense, all witnesses, pertinent records, materials and information in the Indemnified Party’s possession or under the Indemnified Party’s control relating thereto as is reasonably required by the Indemnifying Party. If the Indemnifying Party elects to direct the defense of any such claim or proceeding: (a) the Indemnifying Party shall not, without the prior written consent of the Indemnified Party, enter into any settlement or compromise or consent to the entry of any judgment with respect to such Third Party Claim if such settlement, compromise or judgment: (i) involves a finding or admission of wrongdoing by the Indemnified Party or any of its affiliates; (ii) does not include an unconditional written release by the claimant or plaintiff of the Indemnified Party and its affiliates from all liability in respect of such Third Party Claim; or (iii) imposes equitable remedies or any obligation on the Indemnified Party or any of its affiliates other than solely the payment of money damages for which the Indemnified Party will be indemnified hereunder; and (b) the Indemnified Party shall not pay, or permit to be paid, any part of such Third Party Claim unless the Indemnifying Party consents in writing to such payment or unless the Indemnifying Party withdraws from the defense of such Third Party Claim liability or unless a final judgment from which no appeal may be taken by or on behalf of the Indemnifying Party is entered against the Indemnified Party for such Third Party Claim. If the Indemnified Party assumes the defense of any such claims or proceeding pursuant to this Section 5 and proposes to settle such claims or proceeding prior to a final judgment thereon or to forgo any appeal with respect thereto, then the Indemnified Party shall give the Indemnifying Party prompt written notice thereof and the Indemnifying Party shall have the right to participate in the settlement or assume or reassume the defense of such claims or proceeding.

5.5 Impact of Knowledge. The Seller and the Owner acknowledge and agree that no knowledge the Buyer may or could have acquired at any time before or after the date of Closing will impact the Buyer’s rights to indemnification or to any other remedy available hereunder.

5.6 Offset. Notwithstanding the foregoing, at the Buyer’s election, any payment required to be made by the Seller to the Buyer under this Section 5 may, but is not required to, be satisfied by offsetting such amounts against amounts owed to the Seller by the Buyer under this Agreement, including but not limited to the Earnout.

6. Post-Closing Agreements. The parties agree that from and after the Effective Date:

6.1 Proprietary Information. The Seller and Owner agree to hold in confidence and use their commercially reasonable efforts to have all of their respective affiliates, equity holders, officers, employees, managers and directors hold in confidence, all knowledge and information of a secret or confidential nature with respect to the Business and shall not disclose, publish or make use of the same without the written consent of the Buyer, except to the extent that such information shall have become public knowledge other than by breach of this Agreement by such Seller and Owner parties. The Seller and Owner may make disclosures of knowledge and information of a secret or confidential nature with respect to the Business if

required to do so by court order or other enforceable legal process, provided that the Seller or Owner uses reasonable efforts to limit disclosure and to obtain confidential treatment or a protective order and notifies the Buyer as promptly as reasonably possible of the required disclosure.

6.2 Non-Solicitation Agreement. Until the earlier of the fifth (5th) anniversary of the Effective Date, each of the Seller and Owner and/or any of their respective affiliates shall not, directly or indirectly, (i) solicit any employee of the Buyer to terminate his or her employment or to become an employee or contractor of Seller or any Owner or any company affiliated with a Seller or Owner (either individually or collectively) or (ii) call on, solicit or service any customer, vendor, supplier, independent contractor or other business relation of the Buyer or the Business as of the Effective Date in order to induce or attempt to induce such person or entity to cease doing business with the Buyer, or intentionally, willfully or negligently in any way seek to interfere with the relationship between any such customer, vendor, supplier, independent contractor or other business relation and the Buyer. Notwithstanding the foregoing, a general solicitation of employment through mass media or the internet which is not targeted to such employees shall not be a violation of the prohibition set forth in clause (i) of this Section 6.2.

6.3 Non-Competition Agreement. For a period beginning on the date of Closing and continuing for five (5) years thereafter, the Seller and the Owner hereby agrees that each shall not directly or indirectly, as an equity holder, officer, director, member, manager, partner, employee, consultant, advisor or in any other capacity (other than on behalf of and for the benefit of the Buyer), provide services which are substantially similar to or competitive with those provided by the Business as of the date of Closing, anywhere within the Restricted Territory (as defined below). As used herein, the term “**Restricted Territory**” means: (A) the State of North Carolina; (B) each county in the State of North Carolina in which Seller engaged in the Business in the twelve (12) months immediately preceding the Effective Date, in addition to any contiguous counties; (C) each state, province, territory, and similar political subdivision in which Seller engaged in the Business in the twelve (12) months immediately preceding the Effective Date; and (D) each city, county, township, and similar political subdivision in which the Seller engaged in the Business in the twelve (12) months immediately preceding the Effective Date. The parties hereto agree that the restrictions set forth in this Section 6.3: (x) are essential elements of the transactions contemplated by this Agreement, such that the Buyer would not undertake the transactions contemplated by this Agreement in the absence of the restrictive covenants, (y) are reasonably necessary to protect the intellectual property, goodwill, and other legitimate business interests acquired by the Buyer, and (z) are reasonable in time, territory, and scope. In the event that any court determines that the duration or the geographic scope, or both, are unreasonable and that such provision is to that extent unenforceable, the parties hereto agree that the provision shall remain in full force and effect for the greatest time period and in the greatest area that would not render it unenforceable. The Parties intend that this non-competition provision shall be deemed to be a series of separate covenants, one for each and every county of each and every state of the United States of America and each and every political subdivision of each and every country outside the United States where it is intended to be effective. Each of the Seller and Owner agree that the Buyer and its affiliates would suffer irreparable harm in the event that Seller or any Owner breaches any of its obligations under Sections 6.1, 6.2, or 6.3 of this Agreement and that monetary damages would be an inadequate remedy to compensate the Buyer for such breach. Accordingly, each of the Seller and Owner agree that the Buyers shall, whether or not they are pursuing any potential remedies at law, be entitled to seek equitable relief in the form of preliminary and permanent injunctions without bond or other security upon any actual or threatened breach of Sections 6.1, 6.2, or 6.3 of this Agreement. The above right to seek injunctive relief is in addition to, and not in lieu of, all other rights and remedies available to the Buyer at law, in equity, or otherwise. In the event that legal proceedings are commenced by the Buyer against any Seller or Owner pursuant to Sections 6.1, 6.2, or 6.3 of this Agreement, the party or parties which do not prevail in such proceedings shall pay the reasonable attorneys’ fees and other costs and expenses, including investigation costs, incurred by the prevailing party in such proceedings.

6.4 Sharing of Data. The Seller shall have the right for a period of twelve (12) months following the Effective Date to have reasonable access to such books and records as are necessary for the limited purposes of concluding their involvement in the Business prior to the Effective Date, responding to any claims for indemnification hereunder, confirming the accuracy of the Earnout and any Earnout Statement, and for complying with their obligations under applicable securities, tax, environmental, employment or other laws and regulations. The Buyer shall have the right for a period of twelve (12) months following the Effective Date to have reasonable access to those books and records which are retained by the Seller pursuant to the terms of this Agreement to the extent that any of the foregoing are needed by the Buyer in order to comply with its obligations under applicable securities, tax, environmental, employment, postal or other laws and regulations.

6.5 Employee Matters. The Buyer may at its discretion offer employment to those employees reflected on Schedule 6.5 attached hereto and which meet the Buyer's employment criteria, including but not limited to background checks, mandatory drug screening, and execution of confidentiality agreements. The Seller shall terminate the employment of all employees listed on Schedule 6.5 attached hereto effective immediately prior to the Closing. With a reasonable period of time following the Closing, the Buyer shall offer employment to all or substantially all of such employees upon such terms as determined by the Buyer in its discretion. The parties agree that the Seller will exclusively bear (a) all liability related to the termination of the employees listed on Schedule 6.5 immediately prior to Closing and (b) all liability related to employees of the Seller not listed on Schedule 6.5 attached hereto (collectively, the "**Seller Employee Liabilities**").

6.6 Transition Services. For a period of twelve (12) months after the Closing, Owner shall provide such transition services as requested by Buyer as are reasonably necessary to facilitate the transfer of the Business and the Assets to Buyer, including but not limited to assisting with transitioning Seller's employees and clients to the Buyer (including assistance with conversion of Seller's client contracts to the Buyer). Owner shall not receive any additional consideration for such transition services. Buyer understands and agrees that Owner will not be physically located in the United States for a two week period beginning on or around February 7, 2020

6.7 Further Assurances. At any time after the Closing, at the Buyer's request, each of the Seller and Owner shall promptly execute and deliver such instruments of sale, transfer, conveyance, assignment and confirmation, and take such other action, to more effectively transfer, convey and assign to the Buyer, and to confirm the Buyer's title to, all of the applicable Assets, to put the Buyer in actual possession and operating control thereof, to assist the Buyer in exercising all rights with respect thereto and to carry out the purpose and intent of this Agreement. Upon the receipt by either party of funds that are the property of the other hereunder, the receiving party will promptly pay such funds to the other party within thirty (30) days.

6.8 Lease for Premises. At the Closing, [REDACTED]. Furthermore, Owner and Seller shall also [REDACTED] in the form of Exhibit D [REDACTED] terminating the Seller's current lease for the Premises.




6.9 Adjustment for [REDACTED] Billings. The Parties agree and acknowledge that (i) Seller shall remain entitled to collect the balances due from customers with respect to [REDACTED] billings invoiced prior to the Closing Date; and (ii) at Closing, Buyer shall receive a credit in the amount of [REDACTED] on account of services to be rendered to customers of the Business in [REDACTED] for which Seller will be entitled to collect payment.

7. Tax Matters.

7.1 Transfer and Sales Tax. The Seller shall be responsible for and shall pay any and all sales, use and transfer taxes and other governmental charges, if any, upon the sale or transfer of the Business or any of the Assets hereunder. If the Seller shall fail to pay such amounts on a timely basis, the Buyer may pay such amounts to the appropriate governmental authority or authorities, and the Seller shall promptly reimburse the Buyer for any amounts so paid by the Buyer.

7.2 Real Property and Personal Property Taxes. Any real property, personal property or similar taxes applicable to the Assets for a taxable period that includes but does not end on the Effective Date shall be paid by Buyer or Seller, as applicable, and such taxes shall be apportioned between Buyer and Seller based on the number of days in the portion of the taxable period that ends at 11:59 PM on the day immediately prior to the Effective Date and the number of days in the entire taxable period. Payments to settle the correct apportionment shall be made on the Effective Date, or, if later, on the date such taxes are due (or thereafter, promptly after request by Buyer or Seller if such taxes are not identified by Buyer or Seller on or prior to the Effective Date).

8. Notices. Any notices or other communications required or permitted hereunder shall be in writing and sufficiently given if delivered personally or sent by a nationally recognized receipted overnight delivery service, postage prepaid, or sent by facsimile or email with a copy sent by such a delivery service addressed as follows:

To the Seller or Owner:	To the Buyer:
William G. Freed, Inc. Attn: William G. Freed P.O. Box 69 Harbinger, NC 27941 Phone: 252.207.5853	Envirolink, Inc. 4700 Homewood Court, Suite 108 Raleigh, NC 27609 Attn: Michael Myers Phone: 252.235.4900
With a copy to: 	With a copy to:  Phone: 

Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other parties notice in the manner herein set forth. Unless otherwise specified herein, such notices or other communications shall be deemed received (a) on the date delivered, if delivered personally or by facsimile or email without notice of delivery failure; or (b) the next business day after being sent, if sent by overnight delivery.

9. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that none of the Buyer, the Seller or the Owner may assign their respective obligations hereunder without the prior written consent of the other parties hereto; provided, however, that the Buyer may assign this Agreement, and its rights and obligations hereunder, to a subsidiary, controlled affiliate or successor-in-interest to all or substantially all of the

Buyer's business to which this Agreement relates without any consent. The Buyer may also pledge or assign its rights hereunder to their lenders without the consent of the other parties hereto. Any assignment in contravention of this provision shall be void. No assignment shall release the Buyer from any obligation or liability under this Agreement.

10. Entire Agreement; Amendments; Waivers. This Agreement, all Schedules hereto, and all agreements and instruments to be delivered by the Parties pursuant hereto represent the entire understanding and agreement between the Parties hereto with respect to the subject matter hereof and supersede all prior oral and written and all contemporaneous oral negotiations, commitments and understandings between such Parties, including any term sheet or letter of intent. The Parties may amend or modify this Agreement, in such manner as may be agreed upon, by a written instrument executed by each of the parties hereto. The language used in this Agreement shall be deemed to be the language chosen by the Parties hereto to express their mutual intent, and no rule of strict construction will be applied against any Party. No waiver by any party of any provision of this Agreement or any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless such waiver shall be in writing and signed by the Party making such waiver, nor shall such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

11. Expenses. Except as otherwise expressly provided herein, the Buyer, on the one hand, and the Seller and Owner, on the other hand, shall each pay their own expenses in connection with this Agreement and the transactions contemplated hereby. The Buyer, on the one hand, and the Seller and Owner, on the other hand, agree to pay all fees, expenses and compensation owed to any broker or other person or entity, who has acted in the capacity of broker or finder on its behalf in connection with the transactions contemplated by this Agreement.

12. Prevailing Party Legal Fees. In the event that legal proceedings are commenced by the Buyer against Seller or Owner, or by any Seller or Owner against the Buyer, in connection with this Agreement or the transactions contemplated hereby, the Party or Parties which do not prevail in such proceedings shall pay the reasonable attorneys' fees and other costs and expenses, including investigation costs, incurred by the prevailing party in such proceedings.

13. Survival of Representations and Warranties. The representations and warranties of the Seller, Owner and Buyer contained in this Agreement shall survive the Closing until the date that is twenty-four (24) months after the Closing; provided, however, that the representations and warranties made pursuant to Sections 2.1, 2.2, 2.4, 2.7, 2.19, 2.21, 3.1, 4.1, 4.2, 4.3 and 4.4 (each a "**Fundamental Representation**") shall survive until the expiration of the applicable statute of limitations. The covenants and agreements entered into or made pursuant to this Agreement shall be continuing and survive the Closing Date until the expiration of the applicable statutes of limitations.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina without regard to the conflicts-of-law rules thereof.

15. Section Headings. The section headings are for the convenience of the parties and in no way alter, modify, amend, limit or restrict the contractual obligations of the parties.

16. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

17. Counterparts. This Agreement may be executed in any number of counterparts and each will be considered an original. Counterparts may be delivered via facsimile, electronic mail or other transmission

method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Slight variations in the form of signature page counterpart executed by any party hereto (including different footnotes or document numbers) shall be considered immaterial and shall not invalidate any such counterpart signature.

[Signature page to follow]

IN WITNESS WHEREOF, the parties execute this Agreement to be effective as of the Effective Date.

BUYER:

ENVIROLINK, INC.



Michael J. Myers, President

SELLER:

WILLIAM G. FREED, INC.

William G. Freed, President

OWNER:

William G. Freed, Individually

IN WITNESS WHEREOF, the parties execute this Agreement to be effective as of the Effective Date.


BUYER:

ENVIROLINK, INC.

Michael J. Myers, President

SELLER:

WILLIAM G. FREED, INC.



William G. Freed, President

OWNER:



William G. Freed, Individually

[Signature page to Asset Purchase Agreement]

Schedule 1.1(a)(ii) – Intellectual Property

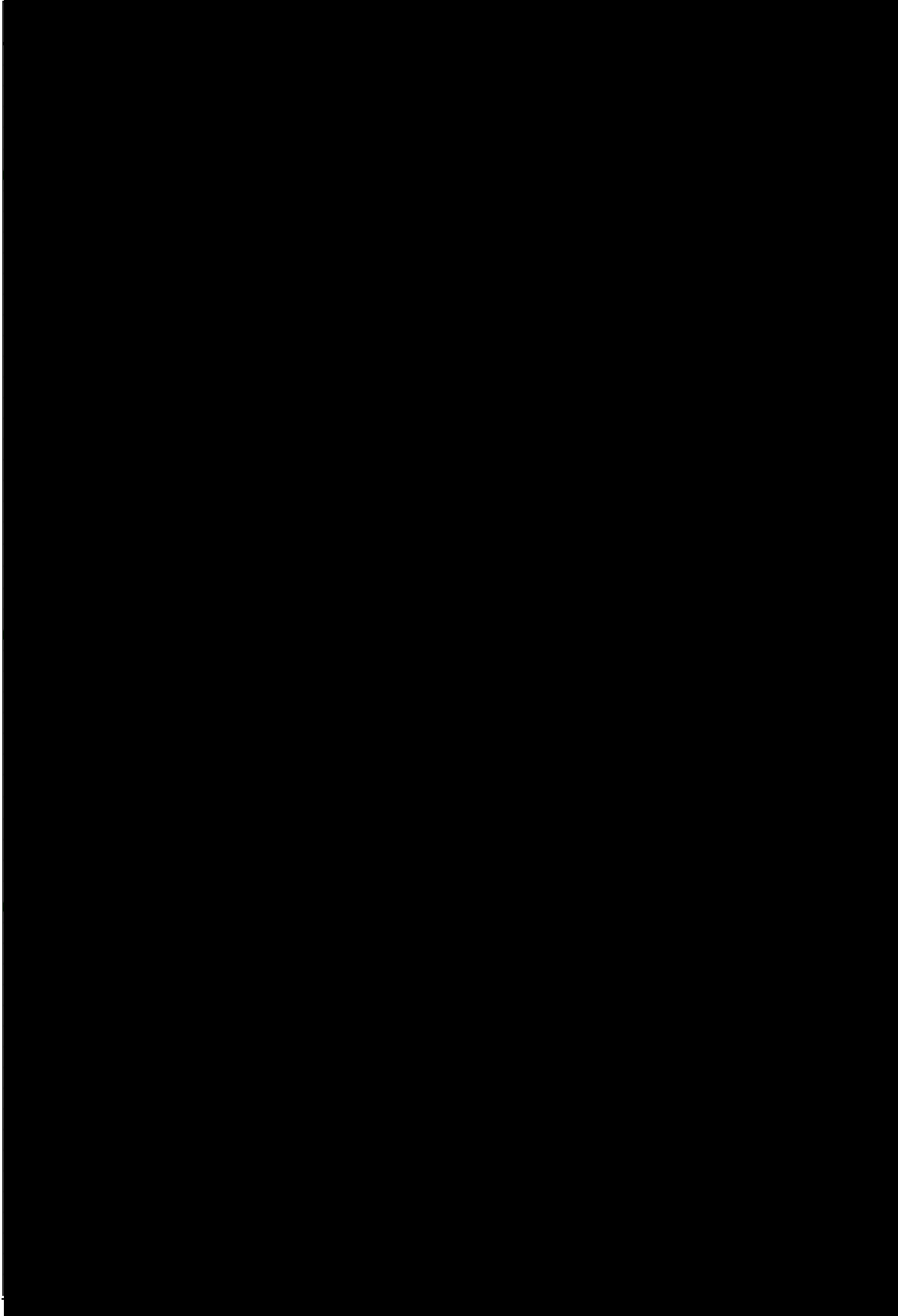
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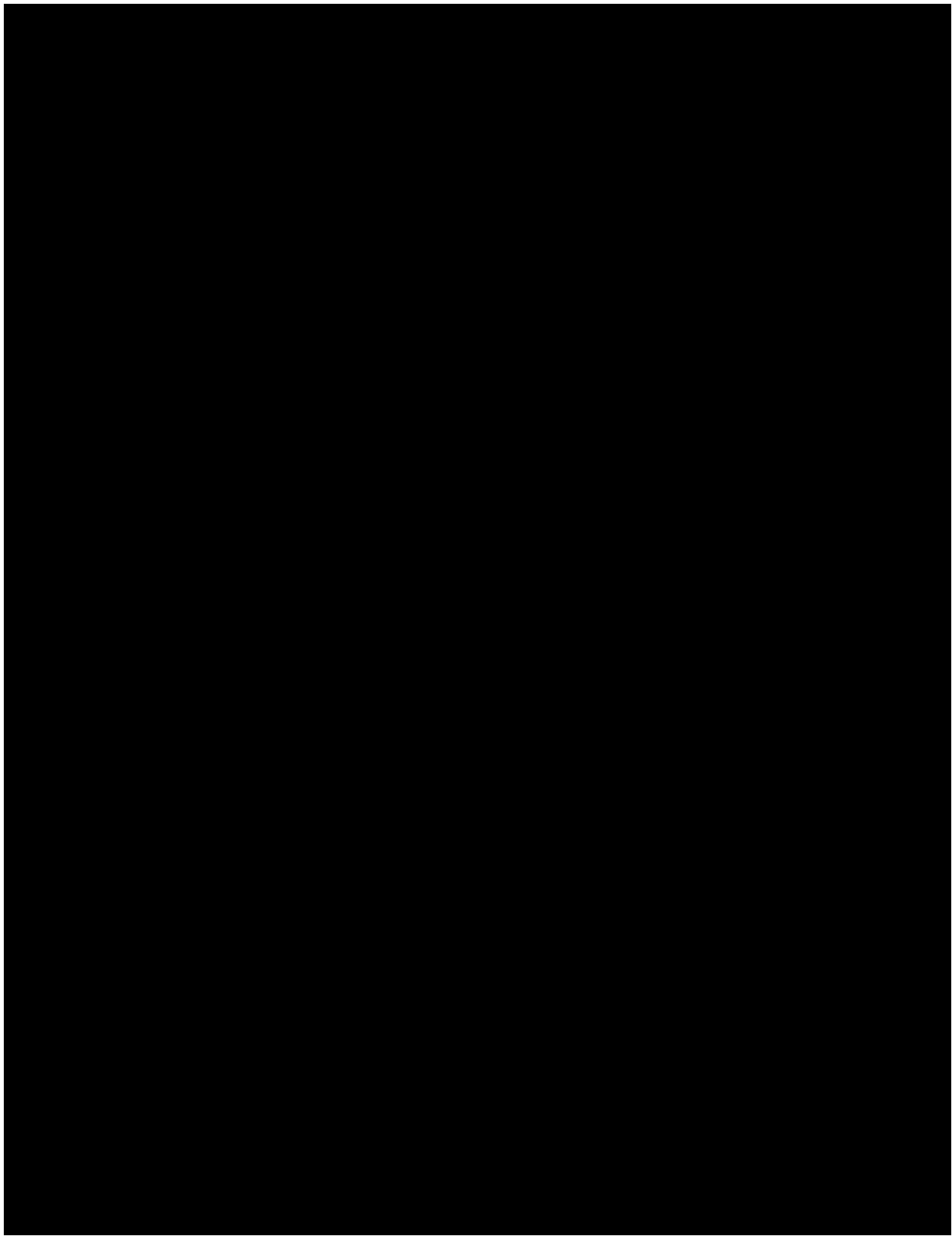
[REDACTED]

Seller has in its possession numerous client records, including system plans, system records, NDMR's, GW59's (essentially all required records for all clients), although Seller has no contractual custodial requirement for maintenance of such records. Such records will transfer to the Buyer.

[REDACTED]

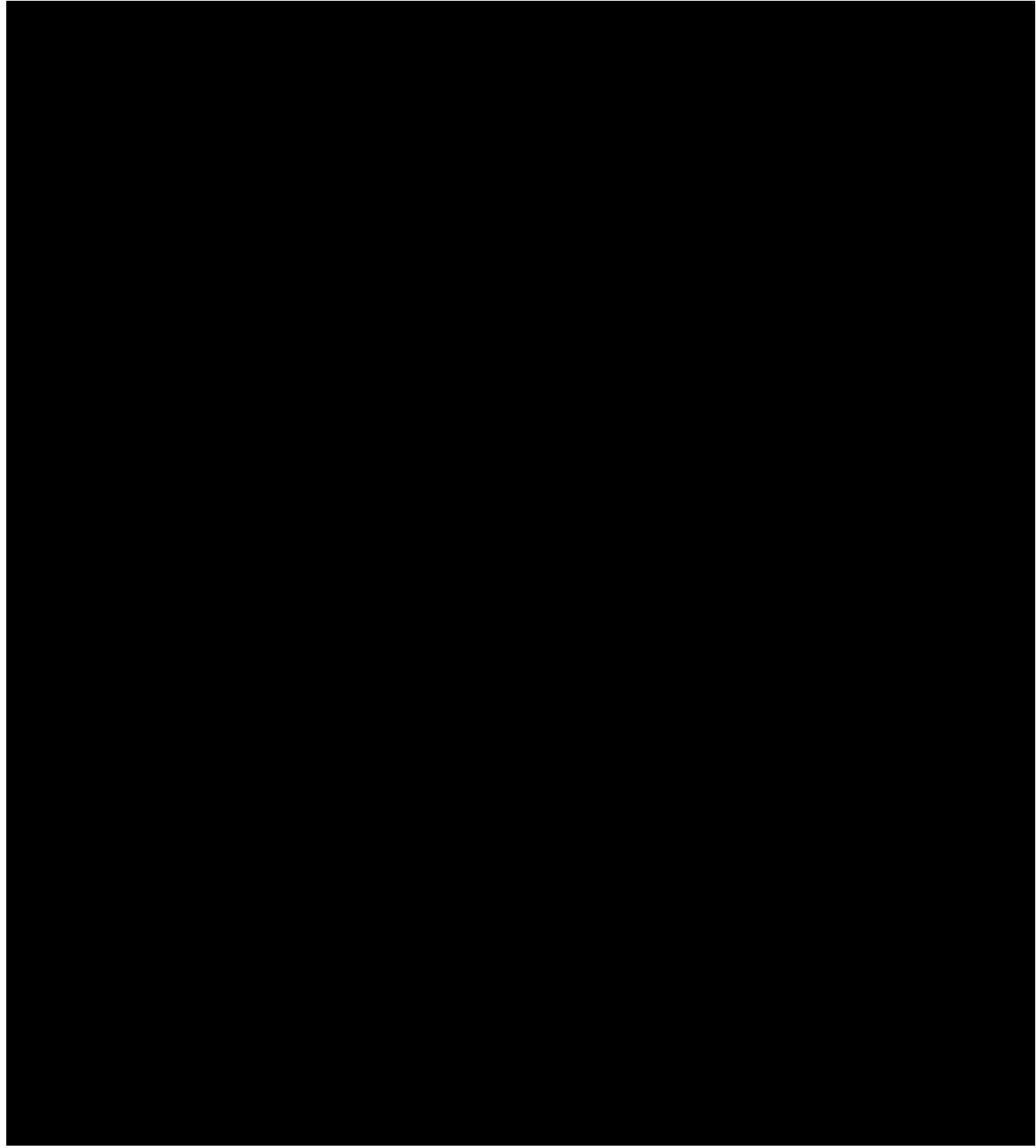
Schedule 1.1(a)(iii) – Contracts





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Schedule 1(a)(iv) – Licenses/Permits

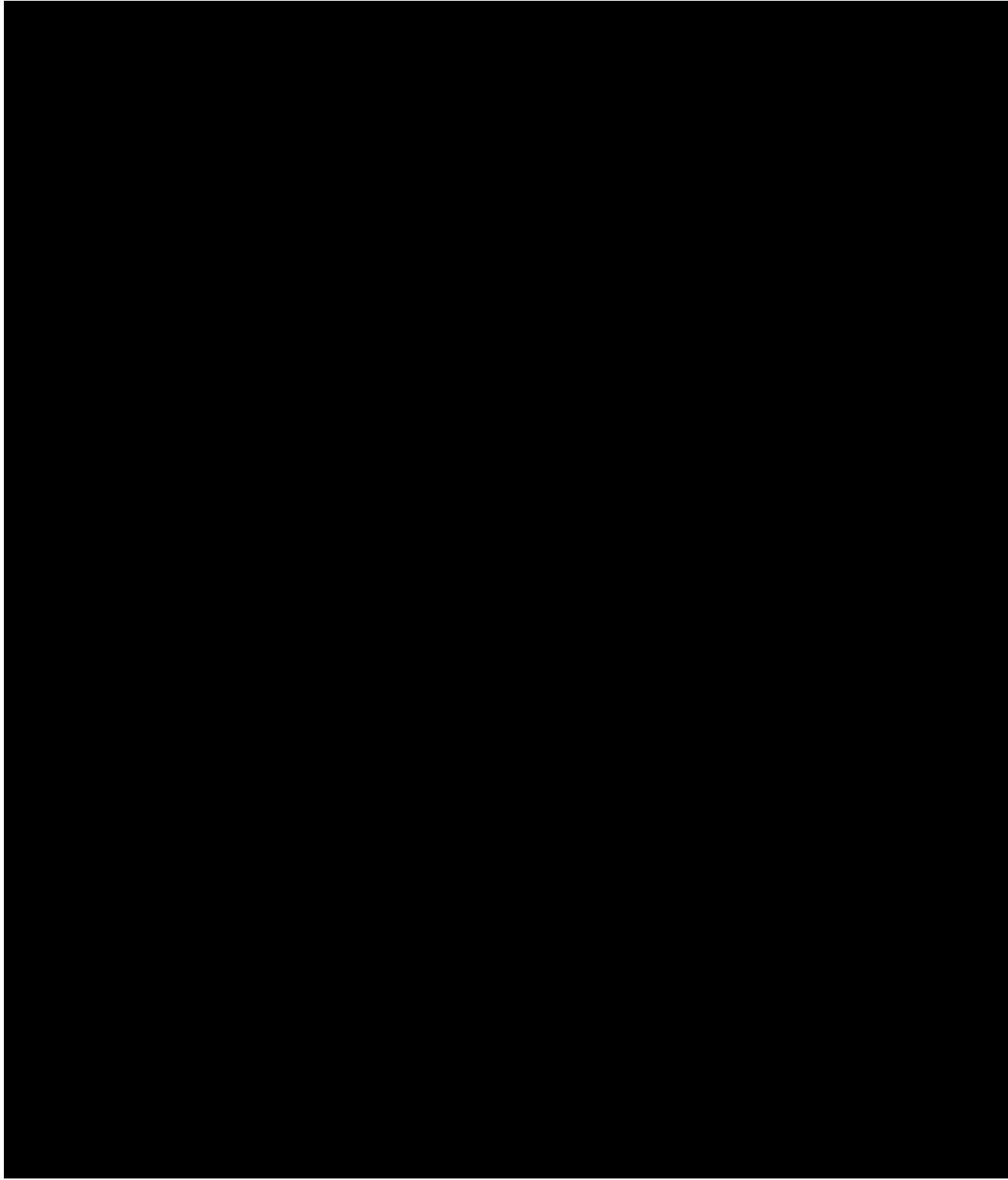
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

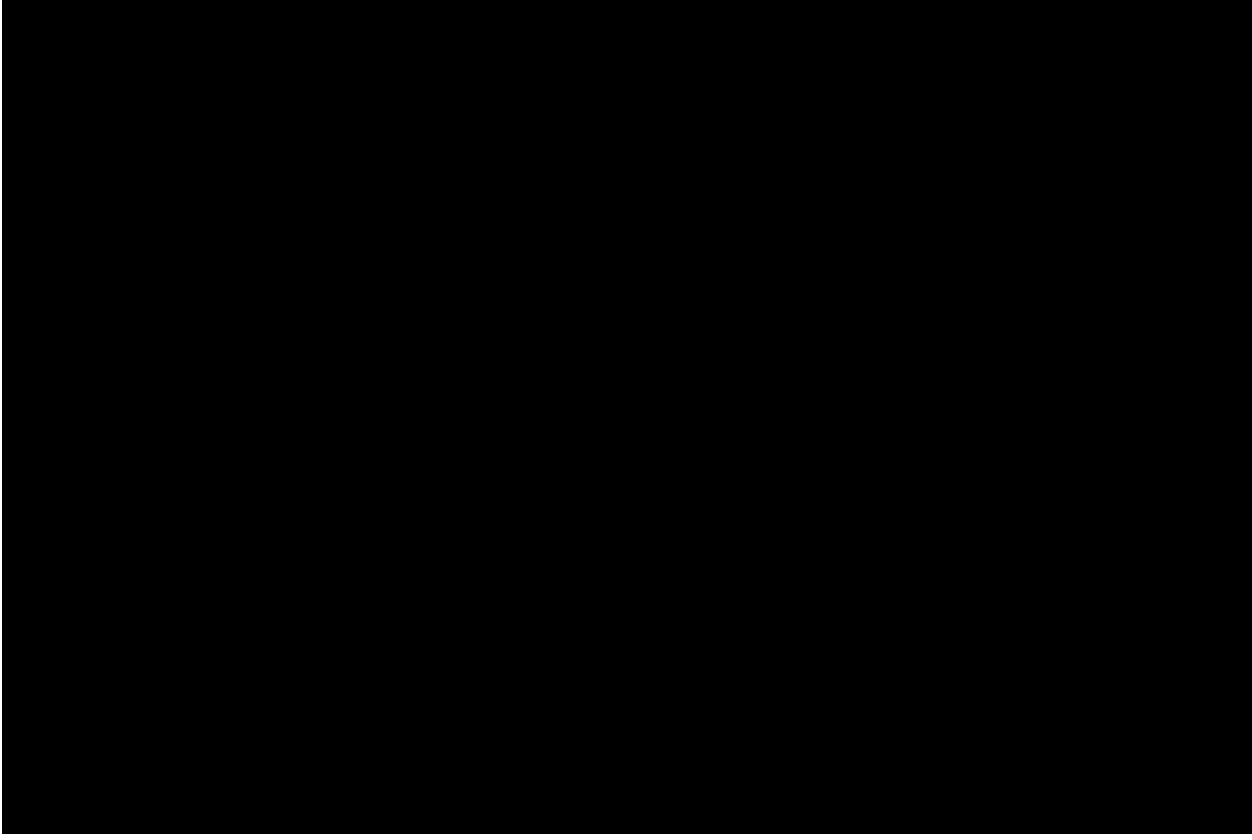
Schedule 1(a)(v) – Fixed Assets



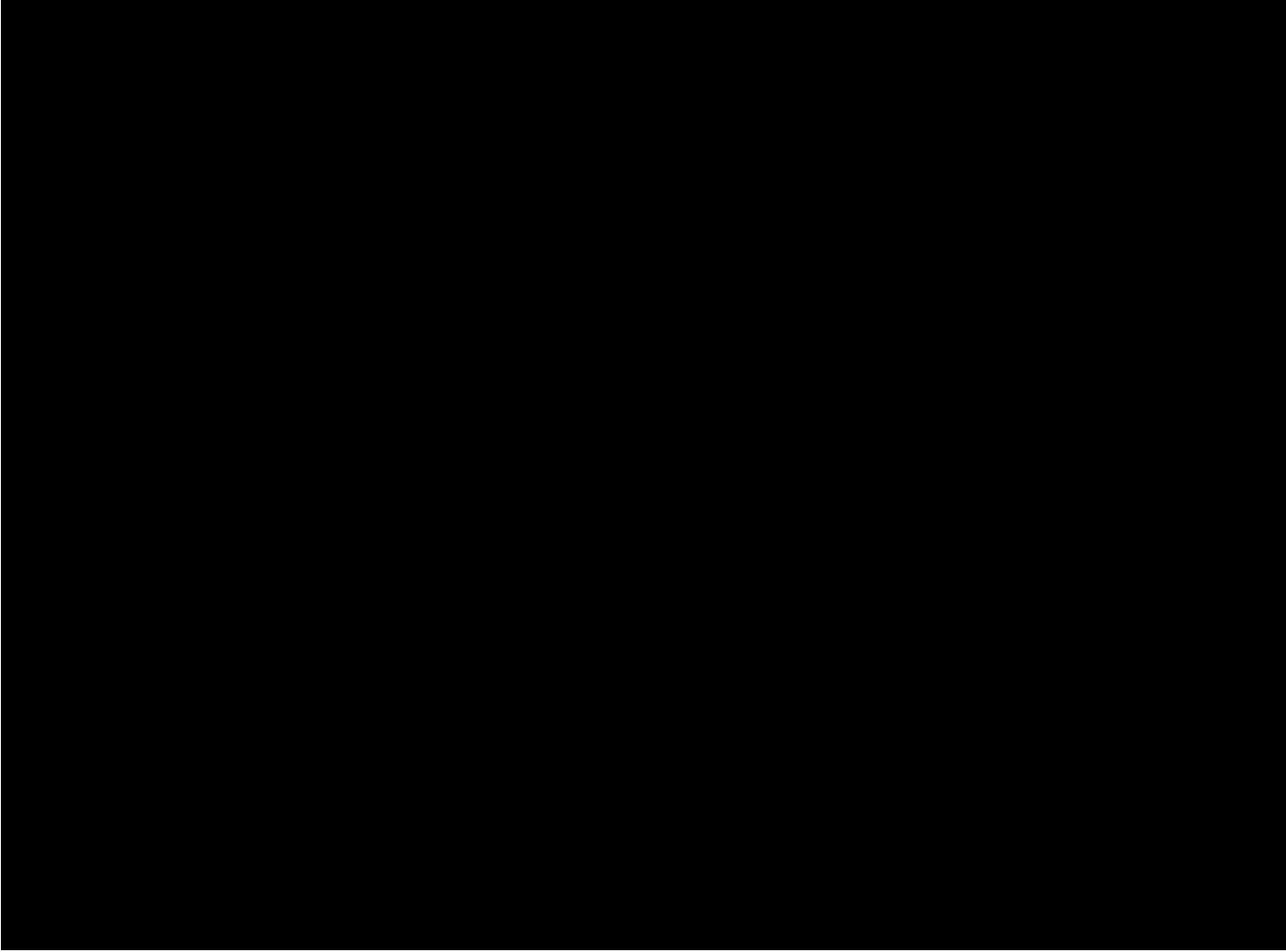
Schedule 1(a)(vii) – Security Deposits/Prepays



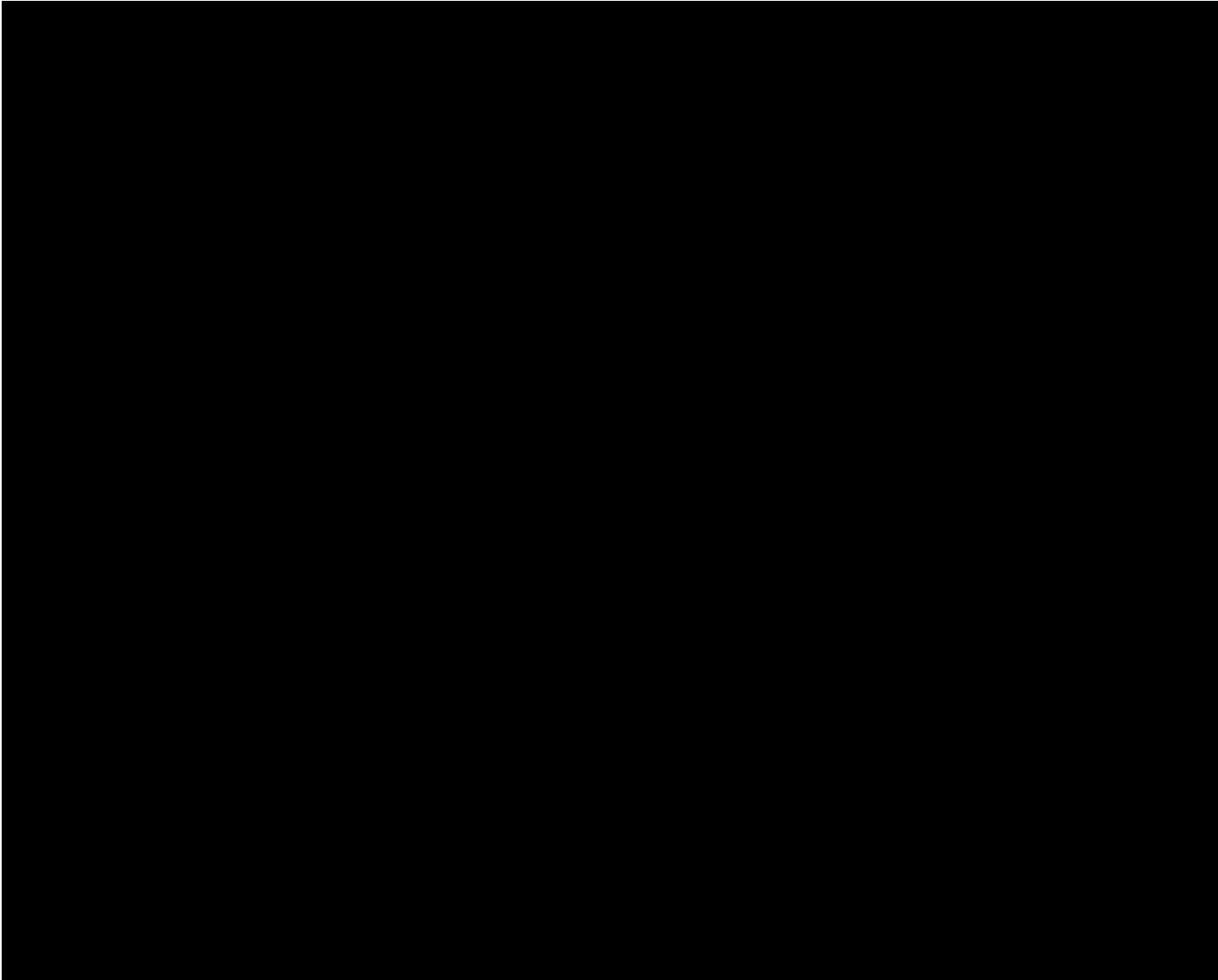
Schedule 1.1(b) - Excluded Assets (including any assets of Enviro-Tech Unlimited Construction Services LLC)



Schedule 1.4(a) - [REDACTED] Customer Contracts



Schedule 1.5 – Allocation of Purchase Price



Schedule 1.6(a)(i) - Liens at Closing



Schedule 2.1 - Jurisdictions in which Seller is licensed or qualified to do business/Consents
Required

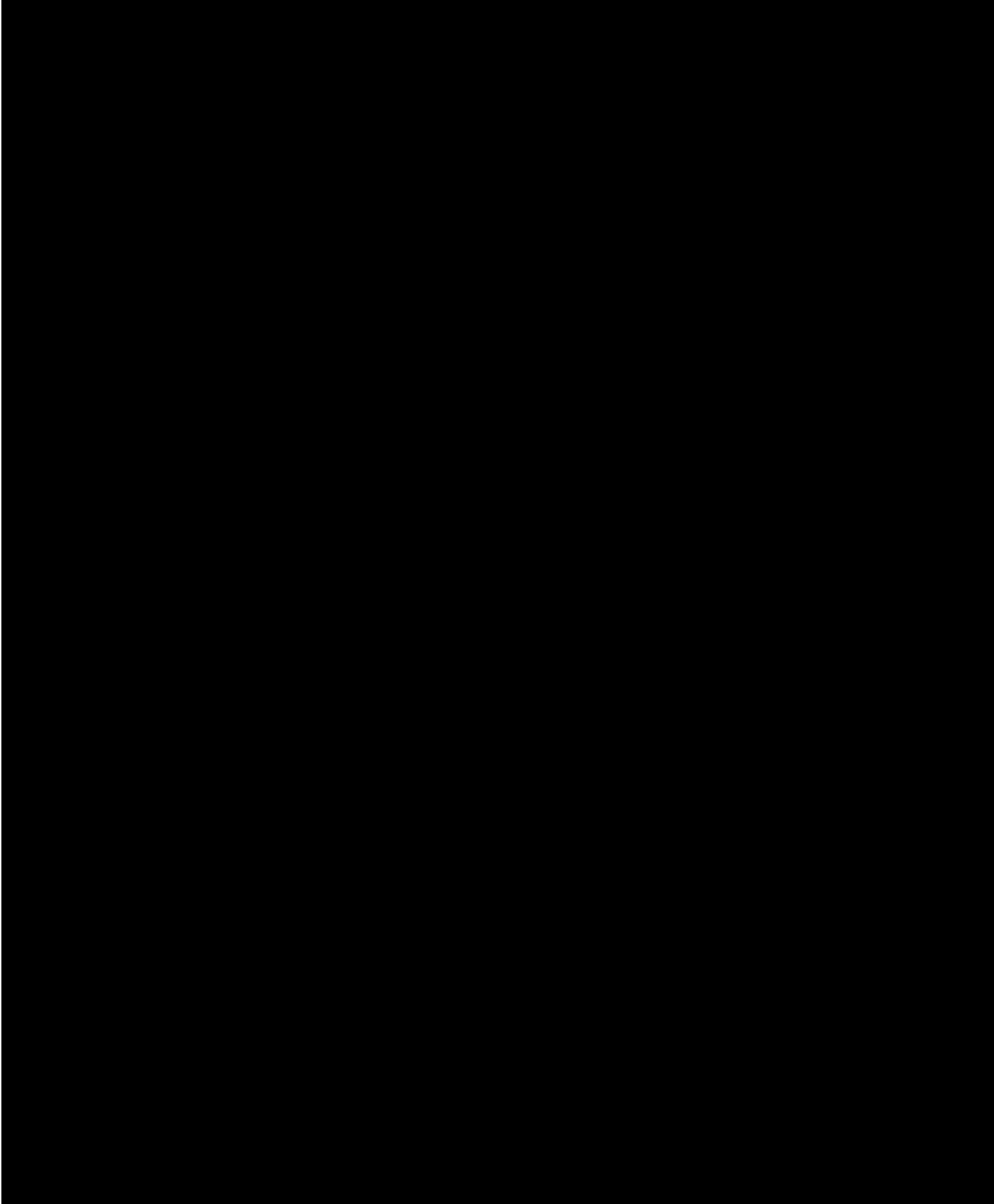
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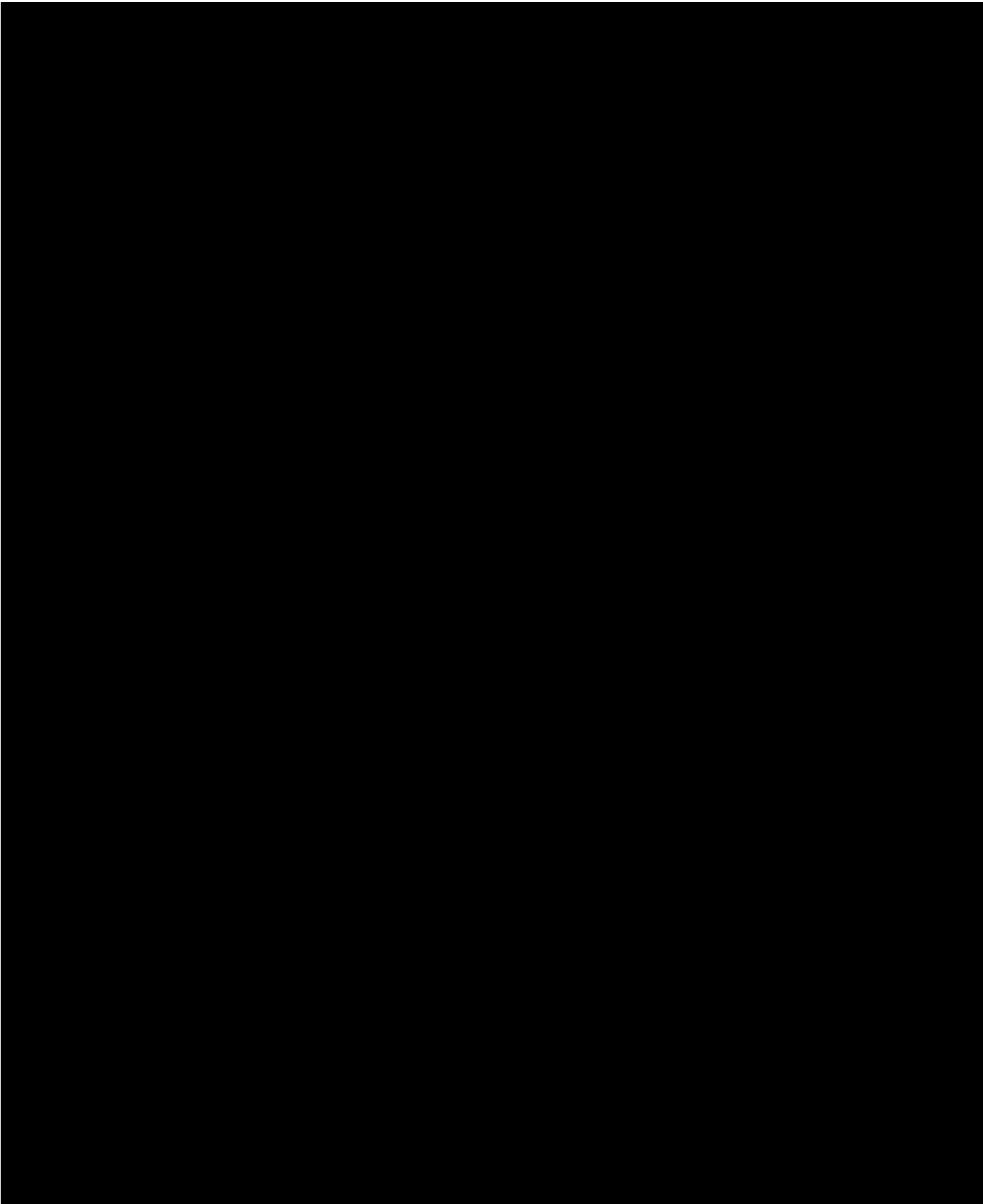
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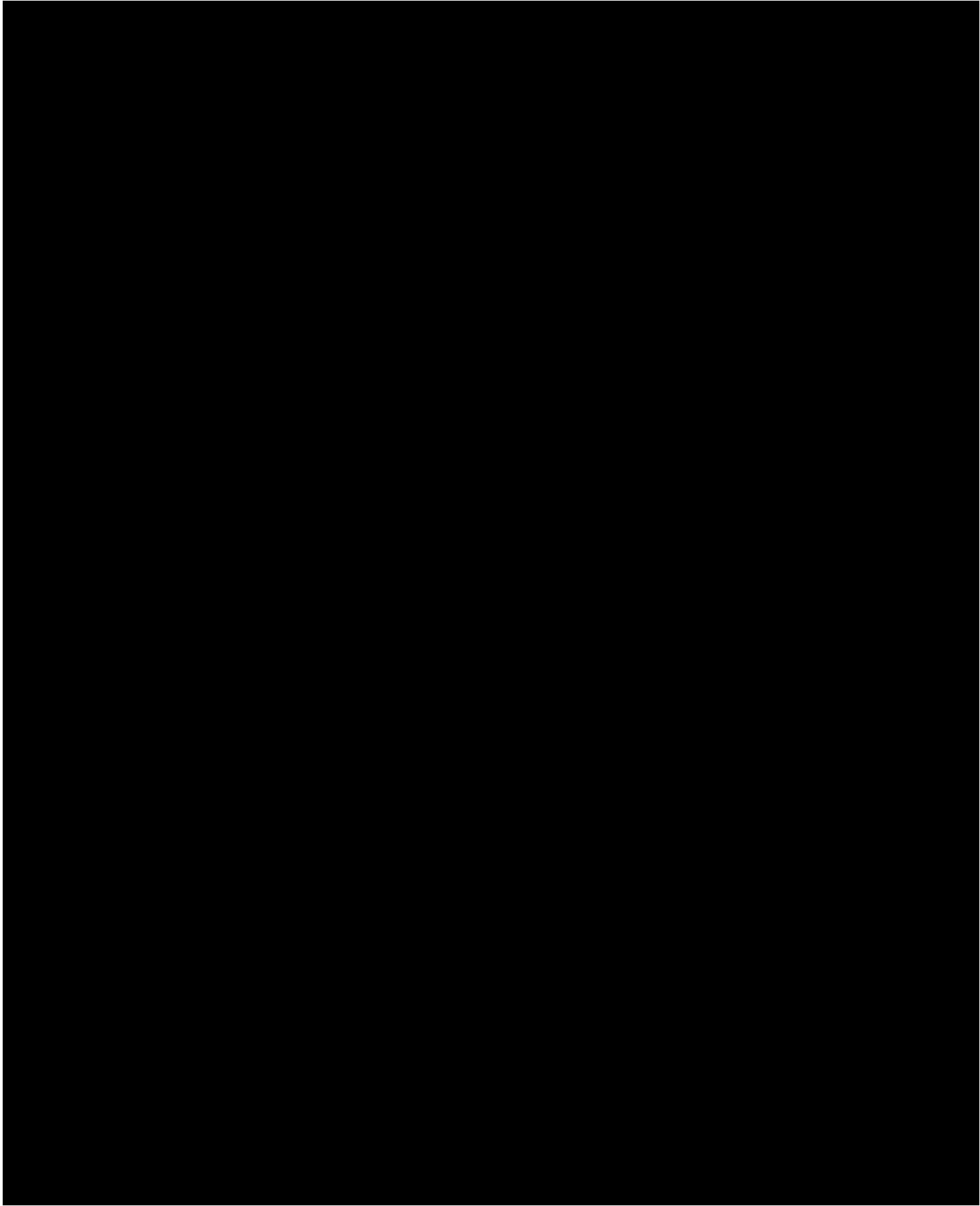
Consents/Action Required:

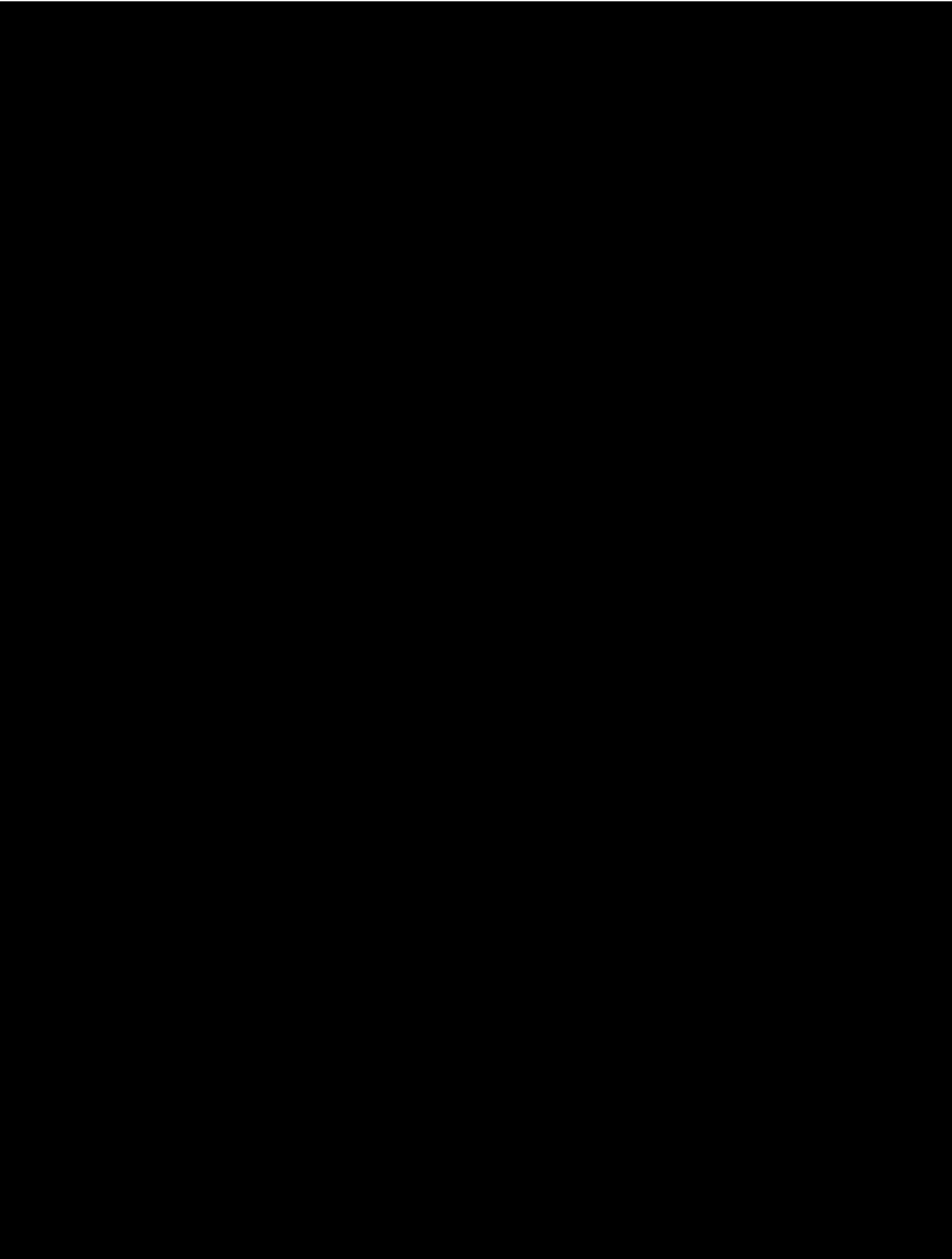
1. [REDACTED]
2. [REDACTED]

Schedule 2.3 – Financial Statements









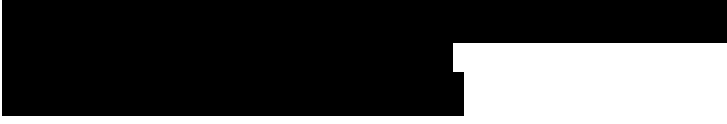
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Schedule 2.6 - Change in Financial Condition and Assets



Schedule 2.7 – Tax Jurisdictions



Schedule 2.10 – Permits

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Schedule 2.11 - Certain Changes or Events since December 31, 2018



Schedule 2.13 – Related Party Transactions

[REDACTED]

[REDACTED]

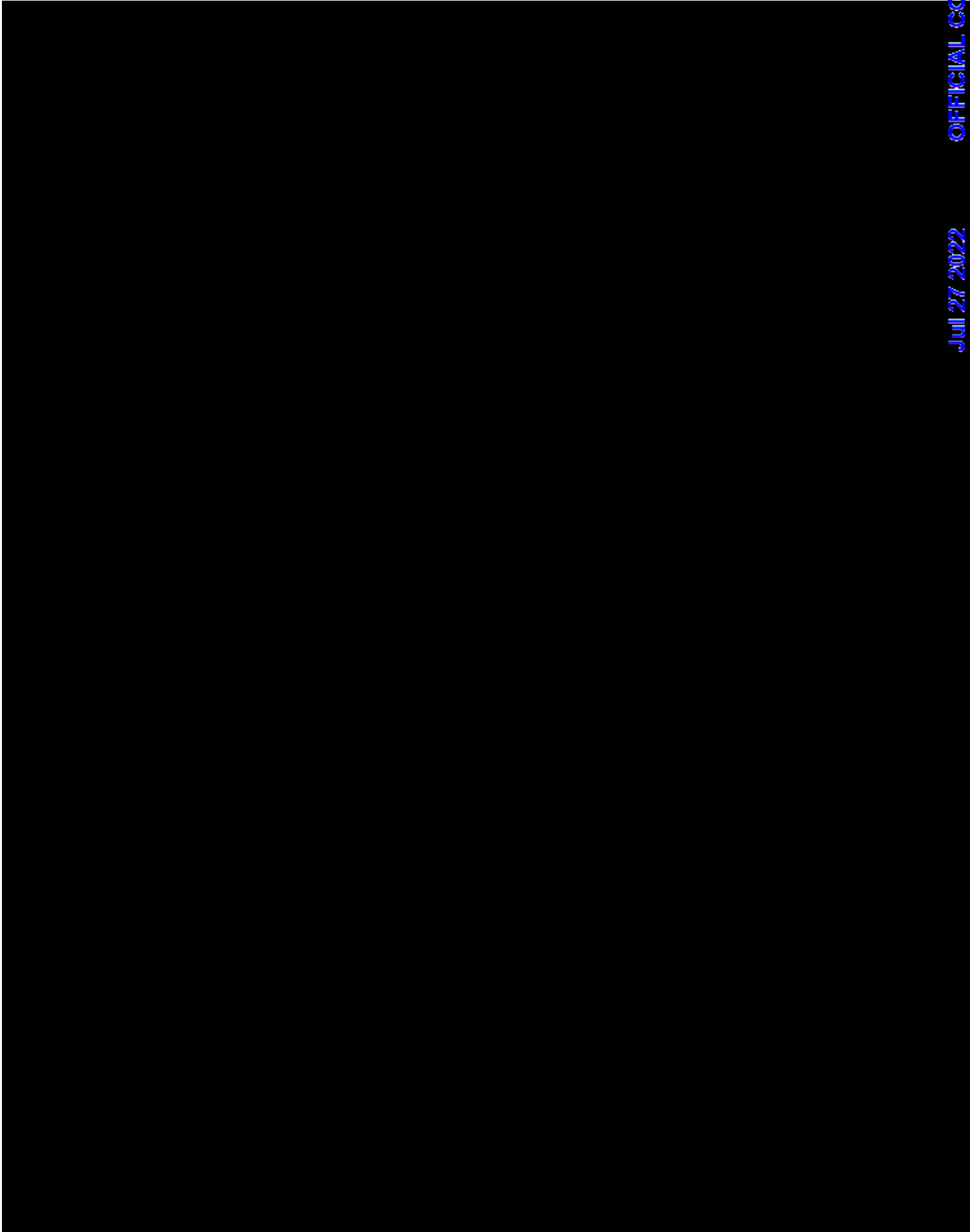
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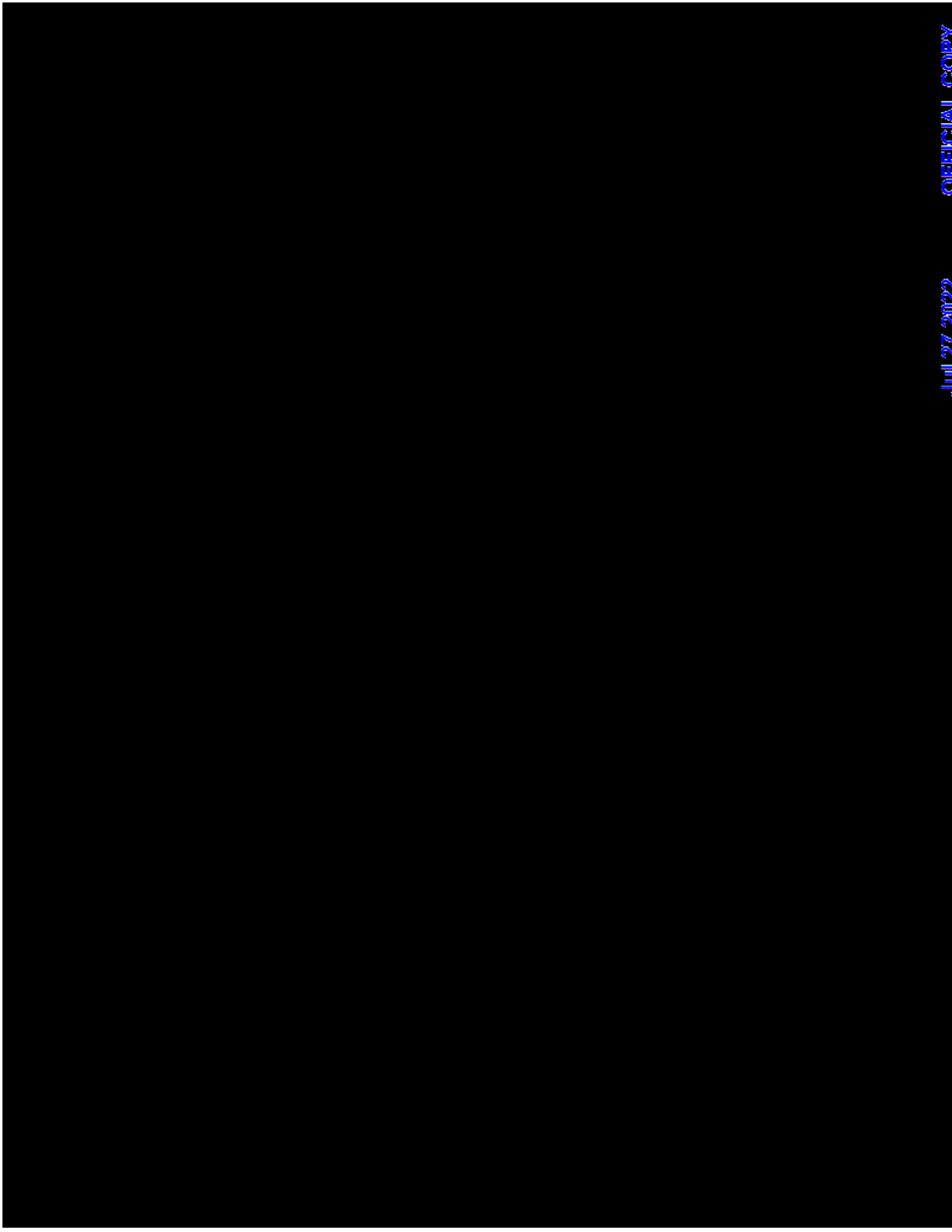
Schedule 2.15 – Real Property Owned/Leased

[REDACTED]

[REDACTED]

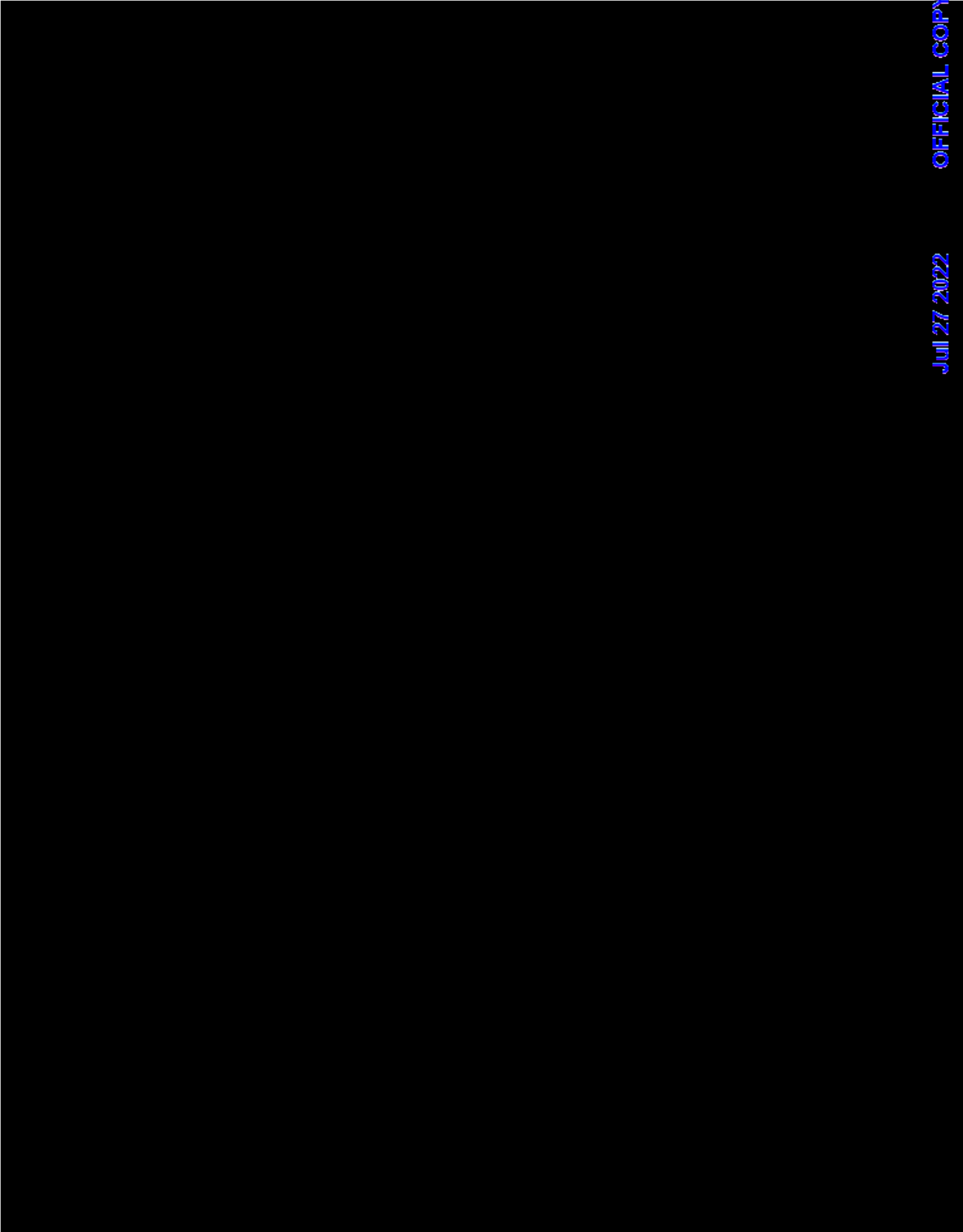
Schedule 2.16 – Insurance





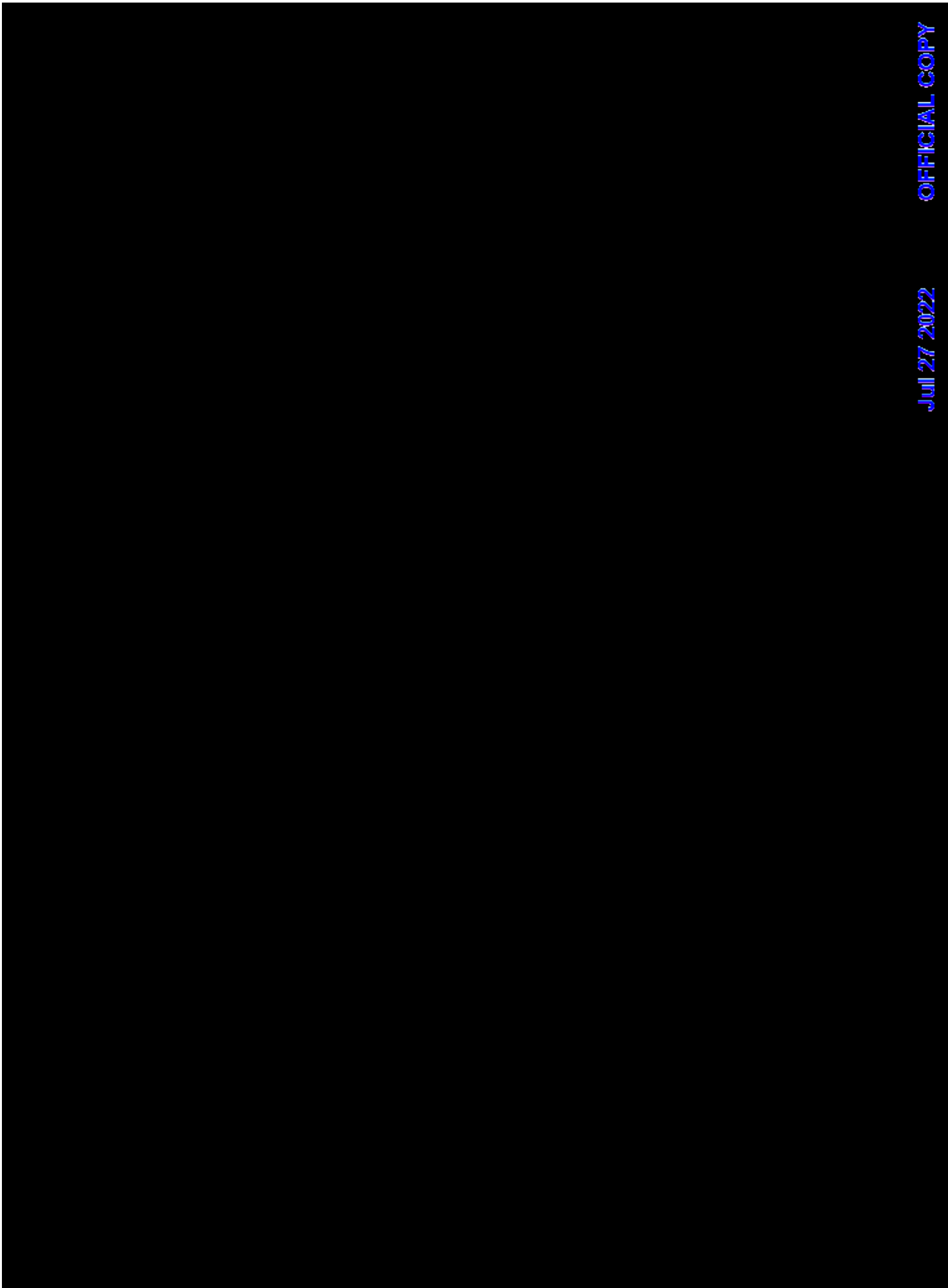
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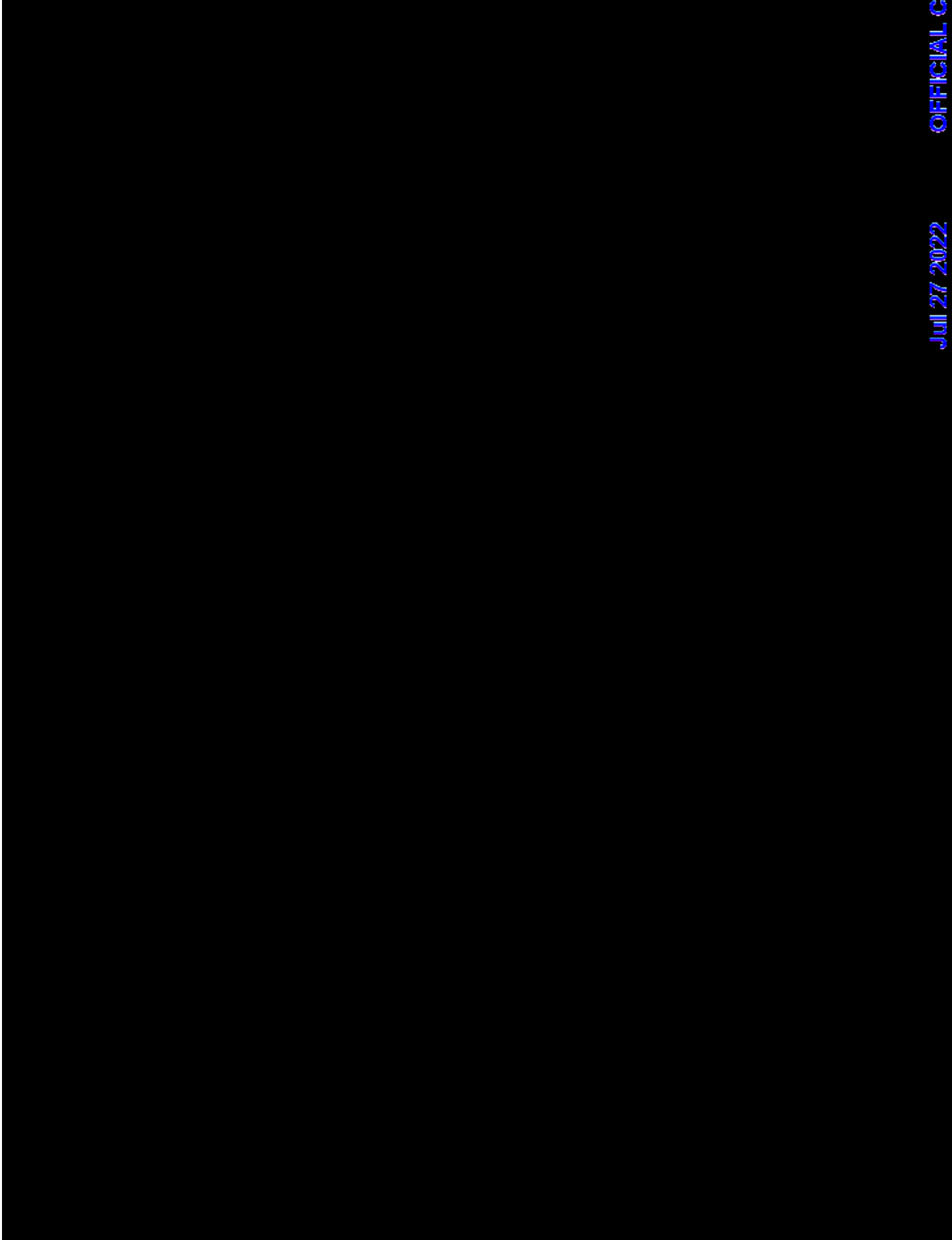
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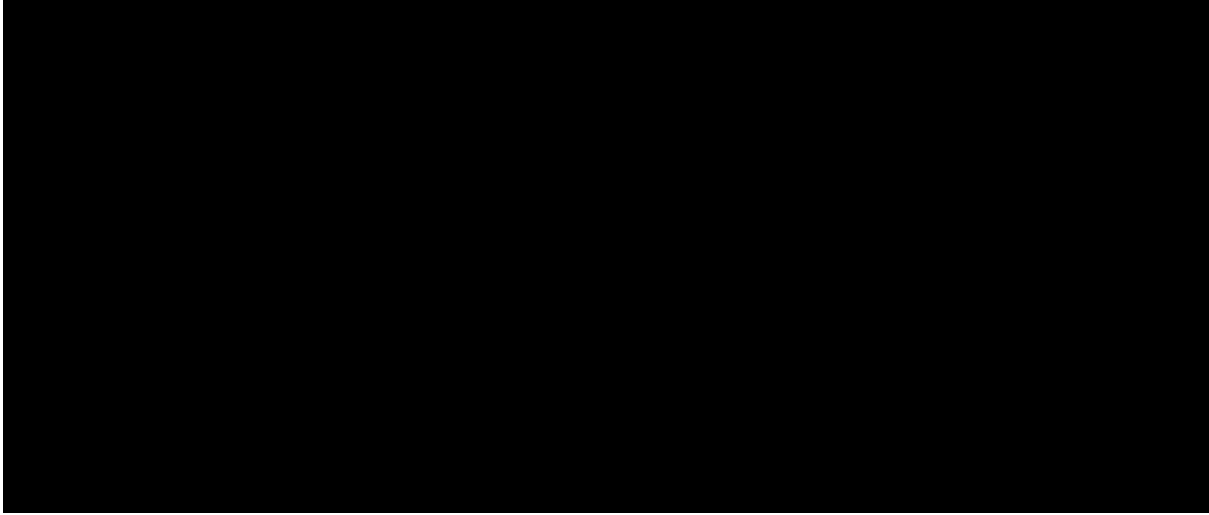
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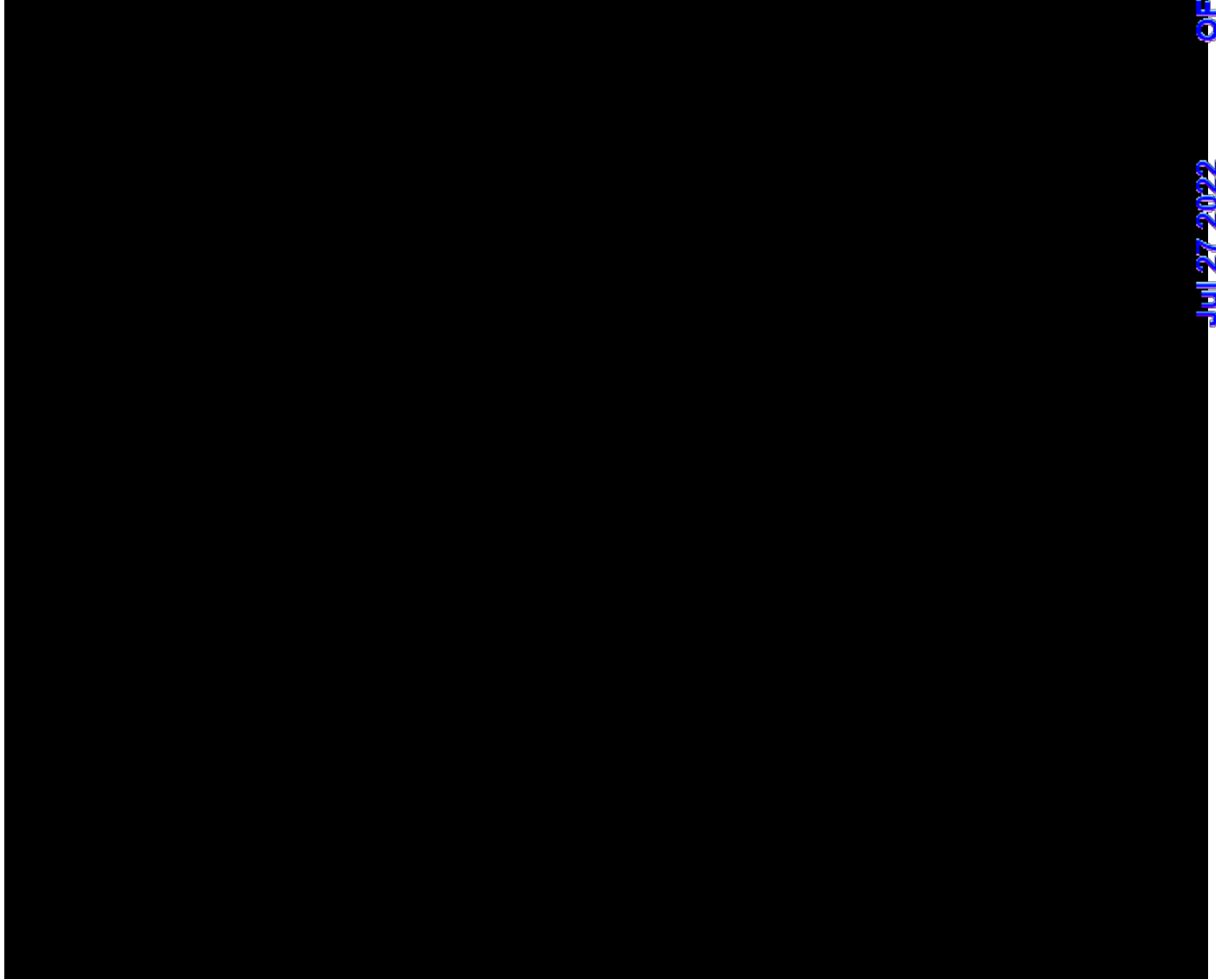
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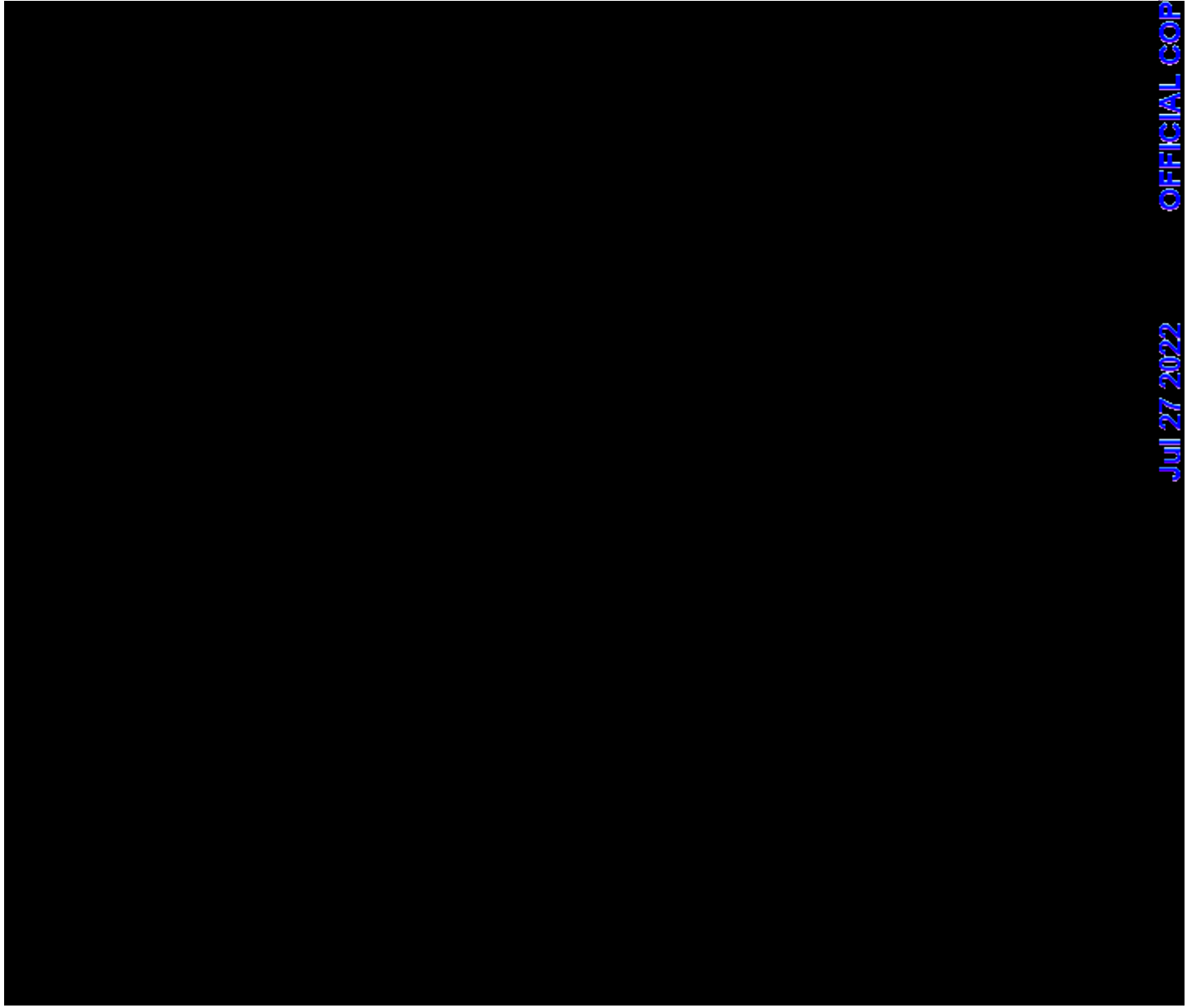
Schedule 2.18 – Seller Employees

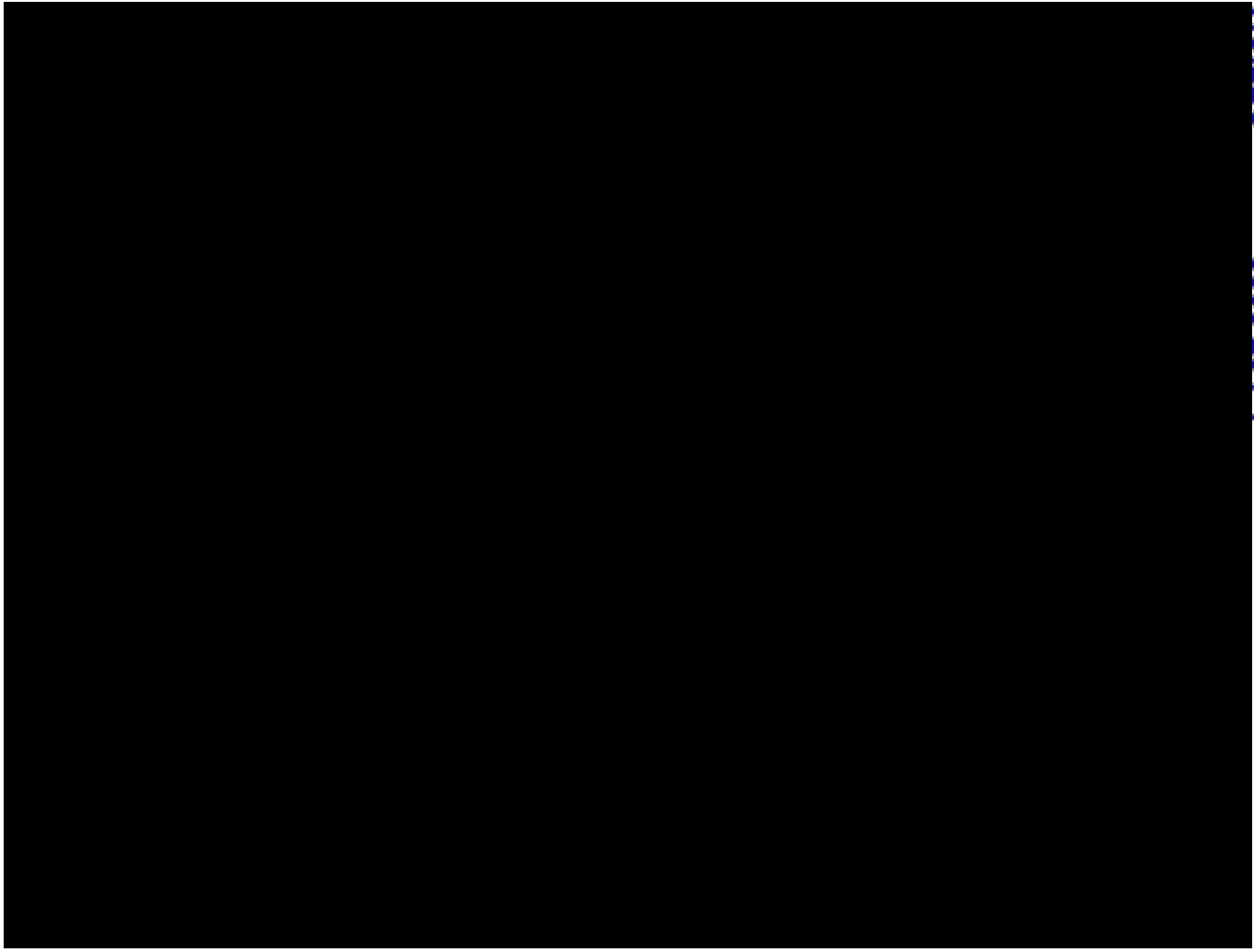


Schedule 2.19 – Employee Benefits

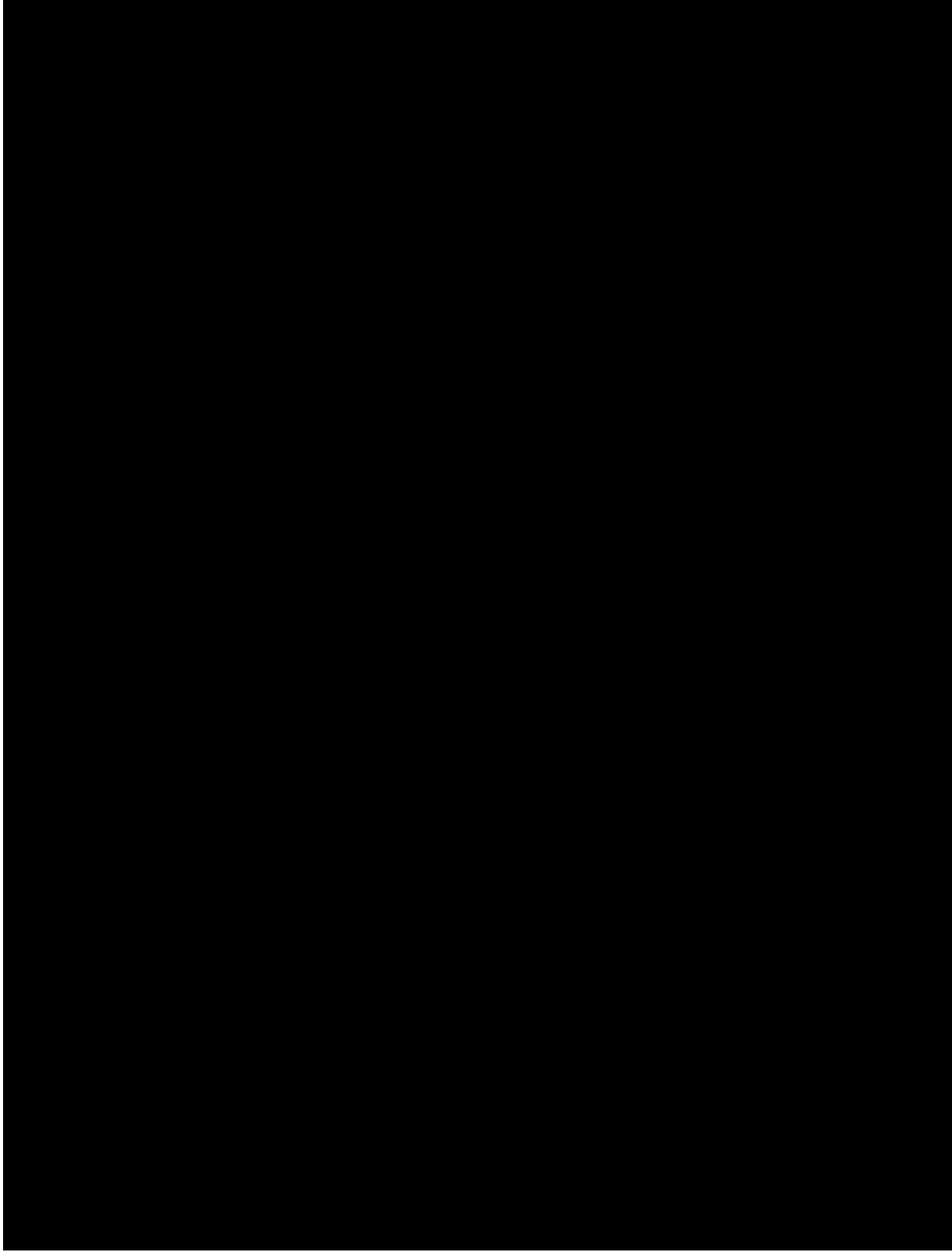


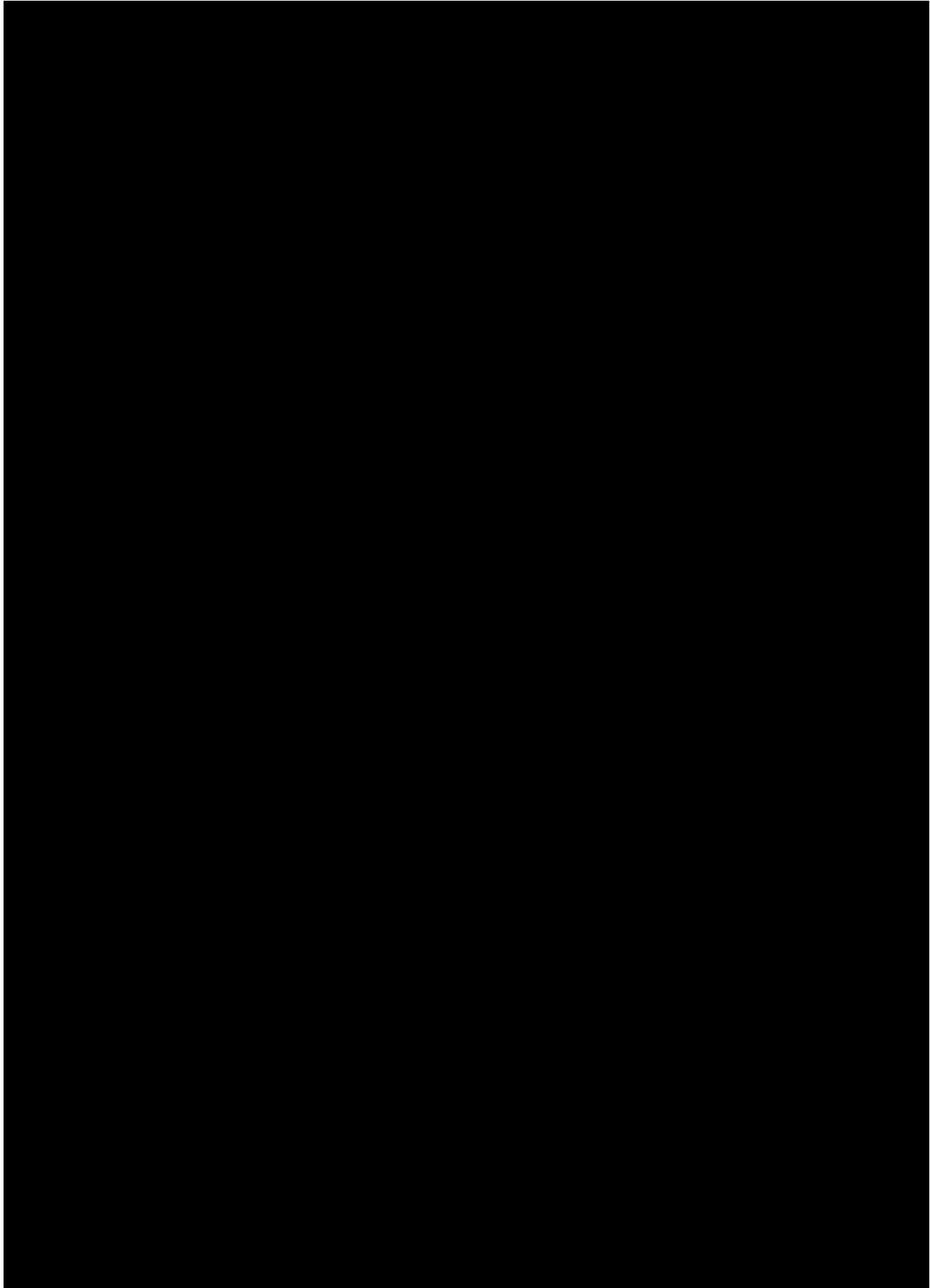


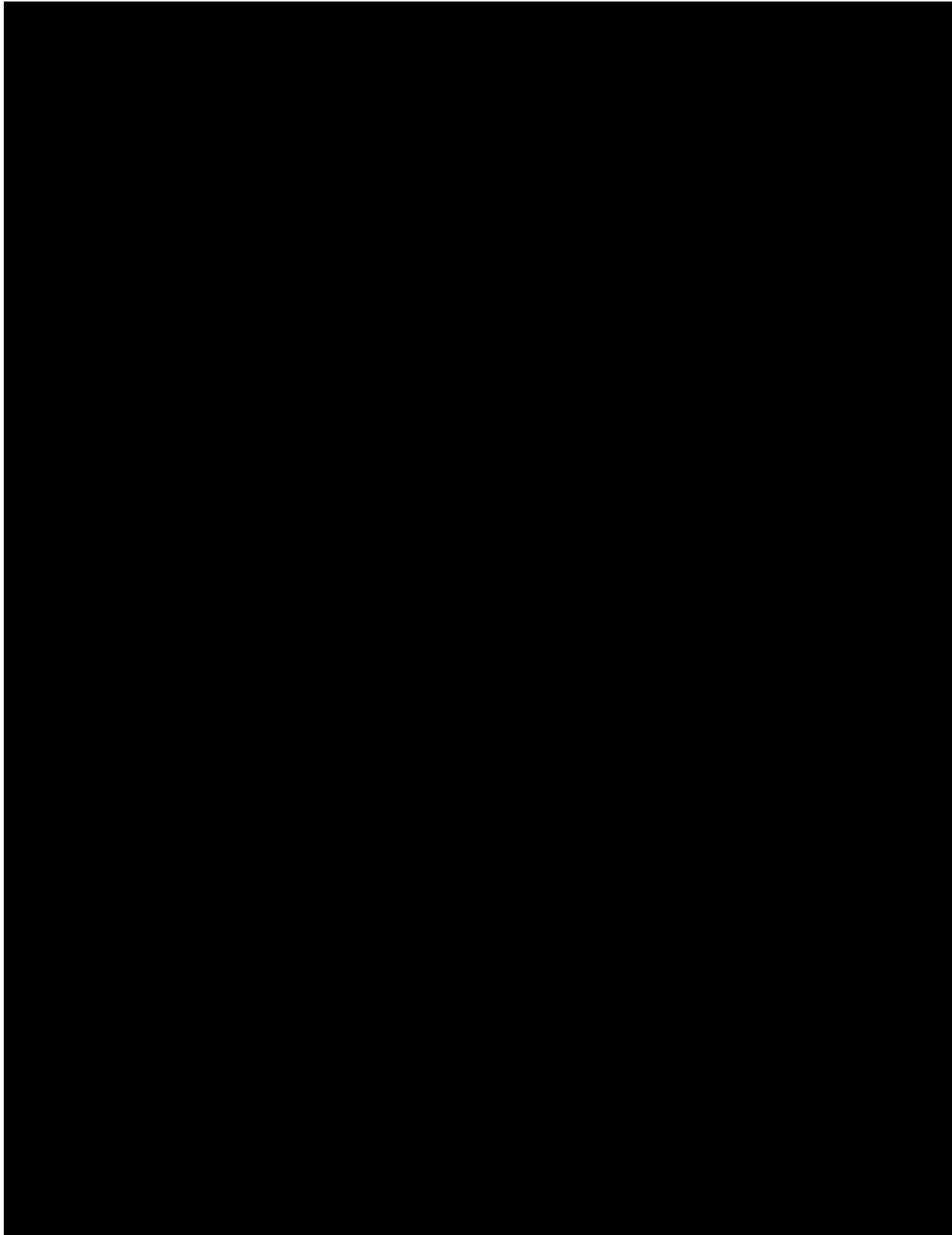






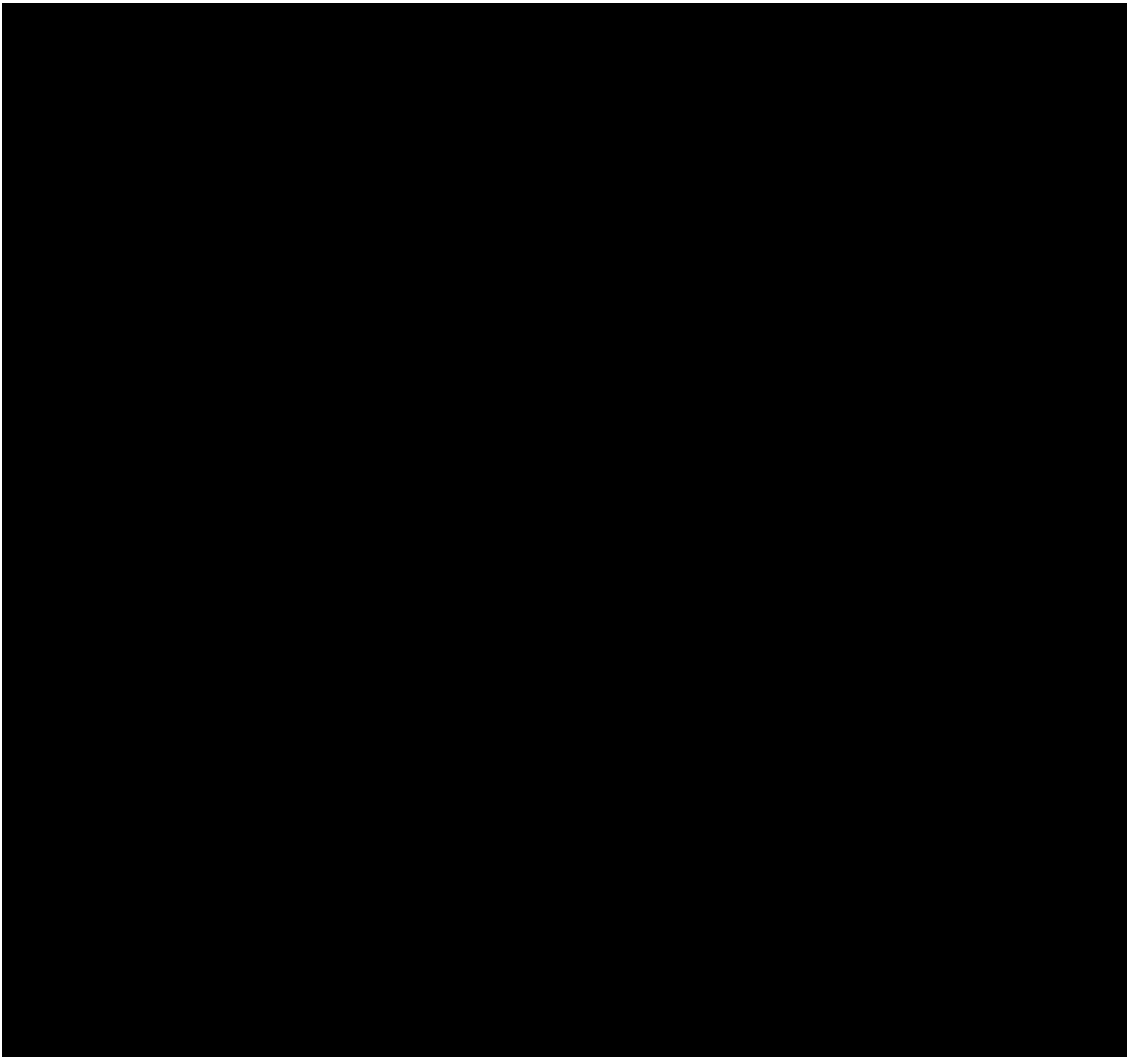






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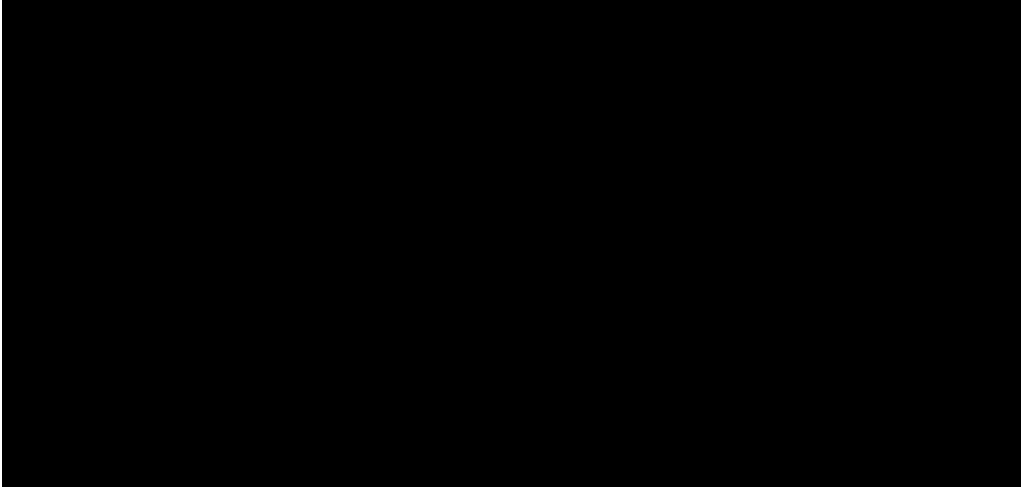
Schedule 2.19(b) – Severance Pay Obligations



Schedule 2.19(e) – Benefit Plans Not Fully Insured



Schedule 6.5 – Employees Buyer Desires to Hire



OMNIBUS BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS OMNIBUS BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assignment") is dated effective as of February 6, 2020, by and among William G. Freed, Inc., a North Carolina corporation ("Seller"); William G. Freed, Inc., an individual and resident of Currituck County, NC ("Owner"); and Envirolink, Inc., a North Carolina corporation ("Buyer"). Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Purchase Agreement (defined below).

EXPLANATORY STATEMENTS

A. Seller, Owner, and Buyer are parties to that certain Asset Purchase Agreement of even date herewith (the "Purchase Agreement"), whereby Buyer has agreed to purchase the Assets and to assume the Assumed Liabilities from Seller; and

B. In accordance with the Purchase Agreement, Seller hereby sells, transfers, conveys, and assigns to Buyer, and Buyer hereby purchases, acquires, and assumes from Seller, all of Seller's right, title, and interest in and to all of the Assets and assigns all of the Assumed Liabilities to Buyer, and Buyer hereby agrees to accept and assume the same.

AGREEMENT

NOW, THEREFORE, for the consideration set forth in the Purchase Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Sale and Assignment.** Seller hereby sells, transfers, assigns, and delivers, or causes to be sold, transferred, assigned, and delivered, to Buyer and its respective successors and assigns, to have and hold forever, all of such Seller's right, title, and interest in and to all of the Assets owned by such Seller, free and clear of all claims, liens, mortgages, pledges encumbrances, charges and security interests of every kind. Buyer hereby accepts the foregoing transfer, assignment, and delivery of the Assets from Seller as provided in the foregoing sentence.

2. **Assignment and Assumption of Liabilities.** Seller hereby grants, sells, conveys, assigns, and transfers to Buyer all of the Assumed Liabilities, and Buyer hereby assumes and agrees to pay and perform, when due, all such Assumed Liabilities.

3. **Appointment.** Seller does hereby constitute and appoint Buyer, and its successors and assigns, as attorney in fact, with full power of substitution, for Seller and in its name, place, and stead or otherwise, to (a) demand and receive, from time to time, any and all property and assets, tangible and intangible, hereby sold, conveyed, transferred, and delivered or intended so to be, and to give receipts and releases for and in respect of the same and any part thereof, (b) institute and prosecute in the name of Seller or otherwise, for the benefit of Buyer, and its successors and assigns, any and all proceedings at law, in equity or otherwise, which Buyer, and its successors or assigns, may deem proper in order to collect, assert or enforce any claims, rights or title of any kind in and to the rights, assets and properties hereby sold, assigned, transferred, and delivered, or intended so to be, (c) to defend and compromise any and all actions, suits or proceedings in respect of any of the rights, assets and properties hereby sold, assigned, transferred, and delivered, or intended so to be, and (d) to do any and all such acts and things, with respect to (a) through (c) above, as Buyer, and its successors or assigns, shall deem advisable. Seller hereby declares that the appointment hereby made and the powers hereby granted are coupled with an interest and are and shall be irrevocable and perpetual and shall not be terminated by any act of Seller or by operation of law, or by the occurrence of any other event or in any other manner or for any other reason.

4. **Further Assurances.** Seller hereby covenants and agrees that it will execute, deliver and acknowledge (or cause to be executed, delivered and acknowledged) from time to time at the request of Buyer and without further consideration, any additional instruments of conveyance, transfer, assignment and further assurance and perform or cause to be performed all such other acts as may reasonably be required in order to transfer to or further perfect in Buyer the title to the Assets and the assumption of the Assumed Liabilities.

5. **Reliance.** Any individual, partnership, corporation or other entity may rely without further inquiry upon the powers and rights herein granted by Seller to Buyer and upon any notarization, certification, verification or affidavit by any notary public of any state relating to the authorization, execution and delivery of this Assignment or to the authenticity of any copy, conformed or otherwise, hereof.

6. **Miscellaneous.** This Assignment and all of the terms and provisions hereof is executed by, and shall be binding upon, Seller and its successors and assigns, and shall inure to the benefit of Buyer, and its successors and assigns. The Explanatory Statements set forth in this Assignment form a material basis for the agreements set forth herein and are hereby incorporated into this Assignment by reference. In the event of any inconsistency between the provisions hereof and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall be controlling. This Assignment shall be effective for all purposes as of the date hereof. This Assignment shall be governed by and construed and enforced in accordance with the laws of the State of North Carolina, to which jurisdiction the parties hereto submit.

[Signatures on the following page]


IN WITNESS WHEREOF, Seller, Owner, and Buyer have caused this Assignment to be duly executed as an instrument under seal on the day and year first above set forth.

SELLER:

WILLIAM G. FREED, INC.

By: 
William G. Freed, President

OWNER:


William G. Freed, individually

BUYER:

ENVIROLINK, INC.

By: _____
Michael J. Myers, President

IN WITNESS WHEREOF, Seller, Owner, and Buyer have caused this Assignment to be duly executed as an instrument under seal on the day and year first above set forth.

SELLER:

WILLIAM G. FREED, INC.

By: _____
William G. Freed, President

OWNER:

William G. Freed, individually

BUYER:

ENVIROLINK, INC.

By:  _____
Michael J. Myers, President

Exhibit B

Certificate of Seller

William G. Freed Inc.

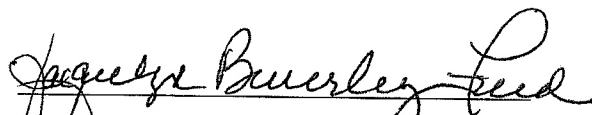
The undersigned, the Secretary of William G. Freed Inc., a North Carolina corporation (the "Company"), does hereby certify that:

1. Attached hereto as Exhibit B-1 is a true, correct and complete copy of certain resolutions duly adopted by the sole shareholder of the Company, dated as of February 6, 2020 (the "Shareholder Resolutions"), and such Shareholder Resolutions have not been amended, modified, annulled, rescinded, revoked or changed in any manner whatsoever and is in full force and effect as of the date hereof.
2. Attached hereto as Exhibit B-2 is a true, correct and complete copy of certain resolutions duly adopted by the Board of Directors of the Company, dated as of February 6, 2020 (the "Board Resolutions"), and such Board Resolutions have not been amended, modified, annulled, rescinded, revoked or changed in any manner whatsoever and is in full force and effect as of the date hereof.
3. Each of the following named persons is a duly qualified, authorized and acting representative of the Company, authorized to act on behalf of the Company, and the signatures set opposite their respective names are their true and genuine signatures:

Name	Office	Signature
William G. Freed	President	

This Certificate may be executed by one or more of the parties hereto on any number of separate counterparts and by facsimile signature, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the 6th day of February, 2020.



Name: Jacquelyn Beverly Freed

Title: Secretary

EXHIBIT B-1
Shareholder Resolutions

**Unanimous Written Consent to Take Action in Lieu of
Meeting of Shareholders of William G. Freed. Inc.**

February 6, 2020

The undersigned, constituting the holders of all outstanding shares entitled to vote thereon (the “**Shareholders**”) of William G. Freed, Inc., a North Carolina corporation (the “**Corporation**”), in lieu of holding a special meeting of the Shareholders, do hereby consent to the taking of the following actions, and adopt the following resolutions, by unanimous written consent pursuant to Section 55-7-04 of the North Carolina General Statutes, with the same force and effect as if they were taken or adopted at such special meeting, and waive any and all notice with respect thereto:

WHEREAS, the Corporation has been in negotiations with Envirolink, Inc., a North Carolina corporation (the “**Purchaser**”) regarding the potential purchase and sale of all or substantially all of the assets of the Corporation for the consideration, and on the terms and subject to the conditions, set forth in the Asset Purchase Agreement (as hereinafter defined) (the “**Sale**”);

WHEREAS, it is contemplated that in connection with the consummation of the Sale, the Corporation and the Purchaser will enter into that certain Asset Purchase Agreement by and between the Corporation and the Purchaser, including all exhibits and schedules attached thereto, substantially in the form attached hereto as Exhibit A (the “**Asset Purchase Agreement**”);

WHEREAS, it is contemplated that in connection with the consummation of the Sale, and the other transactions contemplated by the Asset Purchase Agreement, the Corporation will enter into one or more of the following ancillary agreements (the “**Ancillary Agreements**”):

Bill of Sale, Assignment and Assumption

Termination of Existing Office Lease

WHEREAS, the Asset Purchase Agreement, the Ancillary Agreements and any other agreements, documents or instruments executed, delivered or filed in connection with the transactions contemplated by the Asset Purchase Agreement and the Ancillary Agreements are hereinafter referred to as the “**Transaction Documents**”;

WHEREAS, the board of directors of the Corporation (the “**Board of Directors**”) has reviewed forms of the Asset Purchase Agreement and Ancillary Agreements, including without limitation, the Sale, and believes that all such agreements and transactions are fair, advisable and in the best interests of the Corporation and its shareholders;

WHEREAS, it is desirable and in the best interest of this Corporation and its shareholders to terminate its use of its assumed name, Enviro-Tech, effective as of the closing of the Sale (the “**Assumed Name Termination**”);

WHEREAS, it is in the best interests of the Corporation and its shareholders that, following the closing of the Sale, the Corporation be dissolved, its assets sold, its affairs wound up and the proceeds from the sale of its assets be distributed to its shareholders in redemption and cancellation of their respective shares of the Corporation (the “**Dissolution**”); and

WHEREAS, the Board of Directors deems the Dissolution to be advisable and in the best interests of the Corporation, and has reviewed and adopted a plan of complete liquidation (the “**Plan of Liquidation**”).

NOW, THEREFORE, be it:

Approval of the Sale

RESOLVED, that the form, terms and provisions of the Asset Purchase Agreement, the Ancillary Agreements, and the transactions contemplated thereby, including without limitation, the Sale, be and hereby are, determined to be fair, advisable and in the best interest of the Corporation and its shareholders, and that the Asset Purchase Agreement and the Ancillary Agreements be, and hereby are, adopted and approved in all respects;

be it further

RESOLVED, that the actions taken or to be taken, on behalf of the Corporation, by the officers of the Corporation with respect to the negotiation or preparation of the terms and provisions of the Transaction Documents be, and hereby are, ratified, approved, authorized, confirmed and accepted as the acts of the Corporation;

be it further

Approval of the Plan of Liquidation

RESOLVED, that the Corporation be dissolved and the Shareholders adopt the Plan of Liquidation pursuant to which (i) its assets will be sold pursuant to the terms of the Asset Purchase Agreement, (ii) its affairs will be wound up and all of its known debts and liabilities paid, and (iii) within six (6) months after adoption of the Plan of Liquidation, the proceeds of the sale of its assets will be distributed in complete liquidation of the Corporation among its shareholders as provided in the Plan of Liquidation;

be it further

Approval of Assumed Name Termination

RESOLVED, that any officer of the Corporation (the “**Officers**”) be, and each of them hereby is, authorized and empowered to execute, deliver or file any such other documents, instruments or certificates and to take such further action, on behalf of this Corporation, as any such officer determines to be necessary or desirable to effectuate the Assumed Name Termination, such determinations to be conclusively evidenced by the execution, delivery or filing of any such document, instrument or certificate or the taking of any such action by any such officer;

be it further

General Resolutions

RESOLVED, that any Officer be, and each of them hereby is, authorized, directed and empowered to make, execute, file and deliver, for and on behalf of and in the name of the Corporation, with such additional, deletions or changes therein (including, without limitation, any additions deletions or changes to any schedules or exhibits thereto) as the Officer executing the same shall approve (the execution and delivery thereof by such Officer to be conclusive evidence of the Officer's approval of such additions, deletions or changes), the Transaction Documents, and any other documents contemplated thereby, including but not limited to applications, certificates, agreements, or any other instruments, documents, amendments or supplements to such documents and to do any and all other acts deemed necessary, desirable or in the best interest of the Corporation to carry out the intent and to effectuate the purpose of the foregoing resolutions;

be it further

RESOLVED, that any and all actions heretofore taken by the Officers that are consistent with the foregoing resolutions, are hereby ratified, approved, authorized, confirmed and accepted in all respects as the acts and deeds of the Corporation;

be it further

RESOLVED, that this Unanimous Written Consent of the Shareholders may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together, shall constitute one and the same instrument. Photocopies, facsimile, email or other electronic transmissions of PDF files of executed documents and shall be deemed original documents and signatures and shall be fully binding on the Shareholders to the same extent as original documents with original signatures;

and be it further

RESOLVED, that the Secretary of the Corporation is hereby directed to file this Unanimous Written Consent of the Shareholders with the minutes of the meetings of the Shareholders.

[Signature page follows next.]

IN WITNESS WHEREOF, the undersigned have executed this Unanimous Written Consent of the Shareholders of William G. Freed, Inc. as of the date first set forth above.

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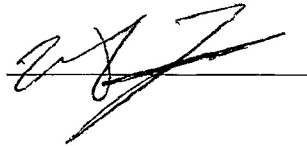
JUL 27 2022

Name of Shareholder

Signature

Number, Type and
Outstanding Percentage of
Shares Held

William G. Freed
(Print Name)



200 Restricted Sh
100% of shares

EXHIBIT B-2
Board Resolutions