



An Essential Utilities Company

June 10, 2021

Re: Vickers Village  
Chatham County  
Mixed Use Development off US 15-501

Dear Mr. Mitchell:

Please accept this letter as Aqua North Carolina's ("Aqua") non-binding commitment to provide wastewater utility service to the proposed development of the property mentioned above. Aqua will have the capacity to provide service to the 171 proposed lots, amenities and commercial properties to be located within the Vickers Village Compact Community. This offer is contingent upon Aqua and the Developer entering into Wastewater Utility System Agreement ("Agreement") with mutually acceptable terms, permit approvals by the North Carolina Department of Environmental Quality, and the North Carolina Utility Commission's approval of this transaction.

The structure of the Agreement would include the following:

1. Developer to install the wastewater utility system infrastructure to serve a maximum of 171 lots, amenities and commercial properties based on Aqua's specifications and DEQ rule and regulations;
2. Developer to pay Aqua the gross-up tax pursuant to the 2017 TJCA signed into law by President Trump which requires water and wastewater utility companies to collect income tax on CIAC received from its contributors.

This letter of intent does not constitute an agreement for the ownership and operation of the wastewater utility system assets of the Developer. The Agreement will be prepared by Aqua and will contain the provisions set forth above and other traditional covenants, warranties and representations.

Thank you for considering Aqua as your wastewater provider. I look forward to having the opportunity to work with you on this project. Should you have any questions or wish to discuss this project further please contact me at 919.653.6967.

Sincerely,

A handwritten signature in black ink that reads "C. Ruffin Poole". The signature is written in a cursive, flowing style.

C. Ruffin Poole

Director, Business Development