

**MANAGEMENT / SERVICE / RENTAL
AGREEMENT**

This Management/Service/Rental Agreement (“Agreement”) is made as of April ___, 2020 by and between Hampstead Area Water Company, Inc. (“HAWC”) on the one hand, and Atkinson Area Wastewater Recycling, Inc. (“AAWWR”) and Lewis Builders Development, Inc. (“Lewis Builders”) on the other hand (together with HAWC, the “parties”), all New Hampshire corporations, and all of 54 Sawyer Avenue, Atkinson, New Hampshire. **AAWWR, HAWC, and Lewis Builders are related parties.**

WHEREAS, AAWWR, a New Hampshire public utility sewer company, operates a system in Atkinson, New Hampshire and has need of certain management and other services and has need to rent certain office, storage and warehouse space in order for it to conduct its daily operations and whereas HAWC and Lewis Builders has the management, services and facilities necessary to AAWWR’s daily operations, now therefore the parties agree as follows:

1. Services

Lewis Builders and HAWC will provide, on an as needed basis, those services as set forth on Schedule A at the hourly or other rate as set forth on Schedule A.

2. Parts and Supplies

- a.** Lewis Builders will provide AAWWR with office supplies at Lewis Builders’ cost, plus overhead.
- b.** Lewis Builders may, at its discretion, provide operating, repair & replacement parts and supplies with the balance outstanding totaling not more than \$1,000.00 in the aggregate at any one time, which operating/repair items AAWWR does not have the ready cash to purchase directly. Such parts or supplies shall be furnished

to AAOWR at Lewis Builders' direct cost plus the then applicable overhead factor as set forth below.

3. Labor Burden

For all labor costs set forth on Schedule A, which rates constitute the gross pay hourly/salary payments to the individual concerned, Lewis Builders and HAWC will add a Labor Burden cost which represents the indirect cost of such labor, such as workers compensation insurance, employee benefits, employer paid payroll taxes, etc. Such Labor Burden shall be calculated in accordance with Exhibit 1 to Schedule A and shall be calculated on or before April 1st of the following year as of December 31st of the previous year and shall apply to the following 12 months beginning April 1. The Labor Burden for 2020 is a Forty-Eight percent (48%) of the direct labor rate paid to each employee of Lewis Builders and HAWC, respectively.

4. Overhead Expense

For all costs (labor, materials & services) set forth on Schedule A, Lewis Builders will add Overhead expense factor (G&A) multiplier calculated on or before April 1st of the following year as of December 31st each year to be applied to the following 12 months beginning April 1, in accordance with the formula set forth on Exhibit 2 to Schedule A. For 2020, this factor is Twenty-Three percent (23%).

5. Billing Procedure and Content

A. Lewis Builders and HAWC will bill AAOWR monthly, in arrears, for the actual cost of all of the items set forth in Section 3 above, and on Schedule A(I) incurred and consumed in the previous month. Item Schedule A(II) will be billed in advance on a monthly basis.

B. No supply material cost, labor charge, overhead or labor burden shall include any profit or mark up to Lewis Builders or HAWC, or to any related person or entity to either Lewis Builders, HAWC, or AAOWR.

C. In the event any employee of AAOWR or any equipment belonging to AAOWR is used by Lewis Builders or HAWC in any or for any work or project other than

AAWWR's operations, Lewis Builders or HAWC shall pay to AAWWR the cost of such, including the then Labor Burden and overhead rates.

D. The Agreement may be cancelled at any time by any party upon ninety (90) days of notice to the other, without penalty, and will otherwise automatically renew from year to year until and unless such notice is given.

E. This Agreement and any amendment or changes thereto are subject to the prior approval of the New Hampshire Public Utilities Commission.

ATKINSON AREA WASTE WATER RECYCLING, INC.

By: _____
Christine Lewis Morse, Vice President

LEWIS BUILDERS DEVELOPMENT COMPANY, INC.

By: _____
Christine Lewis Morse, President

HAMPSTEAD AREA WATER COMPANY, INC.

By: _____
Christine Lewis Morse, Vice President