

Stanley H. Oliver, President
Bow Lake Estates Water Works, Inc.
Letter Agreement dated May 2, 2017

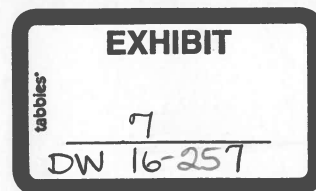


EXHIBIT 1

May 2, 2017

Stanley H. Oliver
Bow Lake Estates Water Works, Inc.
P.O. Box 180
Barrington, NH 03825

Re: Bow Lake Estates Water System

Dear Mr. Oliver,

This letter constitutes the **AGREEMENT** between **Bow Lake Estates Water Works, Inc.** (Bow Lake), a New Hampshire corporation, of P.O. Box 180, Barrington, New Hampshire 03825, and **Hampstead Area Water Company, Inc. (HAWC)**, a New Hampshire corporation, of 54 Sawyer Ave, Atkinson, New Hampshire. All provisions contained herein are expressly contingent upon HAWC obtaining approval from the Public Utilities Commission (PUC).

- A. HAWC agrees to purchase and Bow Lake agrees to sell a Water System (System) to serve all residential homes in the Bow Lake Estates development, located in the Town of Strafford, New Hampshire. The system assets are listed on Schedule 1, attached.
- B. The Contract Price for the System is \$8,000.00 unless otherwise agreed in writing by both parties, which HAWC agrees to pay as follows:
 - a. \$2,000.00 to be paid to Bow Lake upon execution of this Agreement; and
 - b. \$6,000.00 to be paid to Bow Lake at the time of final conveyance of all assets described herein
- C. Bow Lake agrees to convey by quitclaim deed all real estate, and water rights and easements listed on Schedule 2, attached.
- D. Within ten (10) business days of Bow Lake executing this Agreement, HAWC agrees to petition the New Hampshire Public Utilities Commission (PUC) for permission and approval to purchase and acquire the System and to franchise the System. HAWC shall bear all costs associated with obtaining said permission and approval including any filing fees, transfer fees and attorney's fees.
- E. The total cost for the system for HAWC is \$8,000 and the remaining value of the water system assets will be contributed by Bow Lake to HAWC as Contribution in Aid of Construction (CIAC), subject to approval of the PUC.
- F. Upon approval by the PUC, HAWC further agrees to operate, repair, maintain, manage, and administer the System, in order to provide sufficient domestic potable water to all

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units within the development, in ways acceptable to the NHDES and PUC. As a condition to this purchase, Bow Lake shall provide to HAWC a detailed breakdown of all assets owned by Bow Lake contained in the System. Bow Lake shall execute a Bill of Sale to HAWC in the form attached as Exhibit 2, upon approval of the acquisition and franchise by the PUC. Said assets shall not include any cash on hand at the time of execution of the Bill of Sale or any accounts receivable due as of the time of said execution.

- G. Bow Lake agrees to also convey and grant to HAWC all Water Rights Deed and Easements in the form attached as Exhibit 3, which is necessary for HAWC to operate, repair, maintain, manage, and administer the System.
- H. Indemnity. Bow Lake agrees to defend, indemnify and hold HAWC harmless against any loss, damage, expense, or cost, including reasonable attorney's fees (including allocated costs for in-house legal services) arising out of any claim, demand, proceeding, or lawsuit by the State of New Hampshire, including action by the PUC or the Department of Environmental Services resulting from any act or omission of the Bow Lake (including, without limitation, its subsidiaries, affiliates, successors and assigns) relating to its operation and management of the System.
- I. All conveyances to be made as described herein shall be completed within fifteen (15) days of HAWC receiving PUC approval to purchase and acquire the System and to franchise the System. Further all conveyances and sale of assets shall be made "AS IS" and the seller expressly disclaims any and all warranties, whether express or implied.
- J. On or before 15 days prior to the date set for closing of title herein, HAWC will notify Bow Lake, in writing, of any objections to the title for the parcels listed on Schedule 2. HAWC shall, at its election, have the right to accept such title as Bow Lake is able to convey, without any claim of abatement for defects or objections; or HAWC shall have the right to rescind this contract and this contract shall be null, void, and of no force and effect.
- K. HAWC shall be responsible for any and all fees related to the transfer of parcels listed on Schedule 2, including but not limited to recording fees and transfer tax.

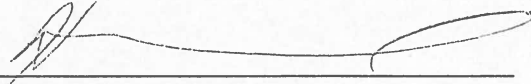
Agreed to this 4th day of May, 2017.

BOW LAKE ESTATES WATER WORKS, INC.

By: Stanley H. Oliver
Stanley H. Oliver, President, duly authorized

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HAMPSTEAD AREA WATER CO, INC.

By: 

Harold J. Morse, its President

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Schedule 1

F-8 Utility Plant in Service as Listed in the 12/31/15 PUC Annual Report

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Schedule 2
REAL ESTATE

1. Lots 32 and 33 as described in Deed from North Country Water Supply, Inc. to Bow Lake Estates Water Works, Inc. dated 1/16/12 and recorded in the Strafford Country Registry of Deeds on 2/1/12 at Book 3989, Page 498.
2. Water System Easement as described in Deed from I.E. Meredith Tilton, individually and as Executrix of the Estate of Richard J. Mullaney to North Country Water Supply, Inc. dated and recorded on 10/3/91 at Book 1576, Page 193.
3. Water System Easement as described in Deed from I.E. Meredith Tilton, as Trustee U/D/T dated 1/9/89 and as Executrix of the Estate of Richard J. Mullaney to North Country Water Supply, Inc. dated 11/19/91 and recorded on 12/17/91 at Book 1586, Page 307.