

DOUBLE OAK WATER RECLAMATION, LLC

STATE OF ALABAMA)
SHELBY COUNTY)

SANITARY SEWER SERVICE AGREEMENT

THE LIEN TO SECURE SEWER CHARGES RUNS WITH THE LAND

LOT 2, CHELSEA CROSSING SUBDIVISION,
MAP BOOK 37, PAGE 49
SHELBY COUNTY, ALABAMA

THIS SANITARY SEWER SERVICE AGREEMENT (the "Agreement") is made and entered into as of the 24th day of October, 2012 by and between:

- (i) DOUBLE OAK WATER RECLAMATION, LLC, an Alabama limited liability company (the "Company"),
- (ii) PATE MONTGOMERY, LLC, an Alabama limited liability company ("Assignor") and
- (iii) 7 S&M LANDS, LLC, an Alabama limited liability company ("Assignee").

RECITALS:

WHEREAS, on or about July 25, 2012, Assignor entered into a Sewer Service Agreement ("SSA") with the Company for the reservation of 2,170 gallons per day ("gpd") of sewage treatment capacity at the Company's sewage treatment plant in Chelsea, Alabama; and

WHEREAS, capitalized terms not otherwise defined herein shall have the meanings given to them in the SSA; and

WHEREAS, the sanitary sewage treatment capacity reserved by Assignor is for the purpose of serving LOT 2, CHELSEA CROSSING SUBDIVISION, MAP BOOK 37, PAGE 49, SHELBY COUNTY, ALABAMA ("Assignee's Property"); and

WHEREAS, subject to the terms and provisions hereof, Assignor desires to assign to Assignee **two thousand one hundred seventy (2,170) gpd** of Assignor's reserved sewage treatment capacity (the "Assigned Capacity") to provide sanitary sewer service to Assignee's Property; and

WHEREAS, Assignee desires to accept such assignment of the Assigned Capacity and assume the duties and obligations of Assignor under the SSA and hereunder with regard to the Assigned Capacity; and

WHEREAS, subject to the terms and provisions hereof, the Company hereby consents to the assignment of the Assigned Capacity to Assignee, agrees to permit the connection of Assignee's sanitary sewer service lines, defined as Subscribers's Lines in the SSA, (the "Assignee's Service Lines") to the Company's Main Line and to Assignee's use, operation and maintenance of said Assignee's Service Lines as provided hereunder and under the SSA.

NOW THEREFORE, in consideration of the mutual promises and agreements herein contained, the Assignor, the Assignee and the Company hereby agree as follows:

1. **ASSIGNMENT**. Subject to the terms and provisions hereof and of the SSA, Assignor does hereby transfer, assign, sell, convey, set-over and deliver to Assignee the Assigned Capacity of **two thousand one hundred seventy (2,170) gpd** of sewage treatment capacity to serve Assignee's Property.
2. **ASSUMPTION OF OBLIGATIONS**. Assignee does hereby accept the foregoing assignment from Assignor of the Assigned Capacity. Assignee hereby assumes any and all obligations, liabilities and duties of Assignor with regard to the Assigned Capacity and agrees to comply with the terms and provisions hereof and of the SSA with respect to the Assigned Capacity.
3. **ASSIGNEE'S PROPERTY**. Assignee hereby subscribes to the Assigned Capacity to serve Assignee's Property identified as follows:

ASSIGNEE'S BILLING ADDRESS:

7 S&M Land, LLC
3900 Montclair Road, Ste 300
Birmingham, Alabama 35213
ATTN: Stanley Rubenstein

ASSIGNEE'S PROPERTY:

Lot 2, Chelsea Crossing Subdivision,
Map Book 37, Page 49, Shelby County,
Alabama

4. **SEWER RESERVATION FEES AND SEWER CHARGES**. Assignee shall comply with and be bound by the terms and provisions hereof and of the SSA now in force, or as hereafter supplemented, amended or modified.

Pursuant to the SSA, the sewer tap fee (the "Sewer Reservation Fee") is payable to the Company for each gpd of sewage treatment capacity at the Sewer Reservation Fee rate in effect at the time of payment. With regard to the Sewer Reservation Fee for the Assigned Capacity, the Sewer Reservation Fee has previously been paid by Assignor to the Company with respect to the Assigned Capacity and no further Sewer Reservation Fee is payable with respect to the Assigned Capacity.

Assignee shall timely pay the monthly service charges (the "Sewer Charges") for Assignee's Property at such rates, time and place as set forth in the SSA. Assignee further agrees to pay such penalties, surcharges, late fees, interest, collection fees and expenses, attorney's fees, court costs and all other expenses incurred by the Company for Assignee's noncompliance with or default under the terms and provisions hereof or of the SSA, or which may hereafter be adopted and imposed by the Company.

The monthly Sewer Charges shall commence as provided in Section 4.3 of the SSA. **ASSIGNEE SHALL TIMELY PAY THE MONTHLY SEWER CHARGES OR BE SUBJECT TO THE DEFAULT PROVISIONS SET FORTH BELOW.**

5. ADDITIONAL TERMS AND PROVISIONS:

- (a) The Company agrees that Assignee may connect Assignee's Service Lines to the Company's Main Line and use, operate and maintain said Assignee's Service Lines, subject to the terms, provisions, and limitations hereof and as set forth in the SSA.
- (b) Assignee hereby assumes any and all obligations, liabilities and duties as Assignee under the SSA with regard to the Assigned Capacity and agrees to comply with the terms and provisions hereof and of the SSA with respect to the Assigned Capacity.
- (c) Subject to Assignee's primary responsibility to maintain and repair Assignee's Service Lines, Assignee grants to the Company, and its successor and assigns, a permanent and perpetual easement over, under, upon and throughout Assignee's Property for the purposes of: using, operating, repairing, and maintaining Assignee's Service Lines; disconnecting Assignee's Service Lines from the Company's Main Line; for removing Assignee's Service Lines and appurtenant facilities; for metering sewage; and for ingress to and egress from Assignee's Property and the Assignee's Service Lines situated therein. The location and use of such easement shall be determined by the Company's Engineer, in his sole discretion.
- (d) Assignee shall install, use, operate and maintain at Assignee's expense Assignee's Service Lines which shall begin at the Company's Main Line (which lies within the right of way in front of Assignee's Property) and extend to the building within Assignee's Property.
- (e) Pursuant to the SSA, the Company shall have final authority and approval of location, method and type of Assignee's Service Lines to be connected to the Company's Main Line.

- (f) Assignee agrees that no type or volume of sewage will be discharged into the Company's Main Line except as specifically identified by Assignee herein or as provided in the SSA.
- (g) The Sewer Reservation Fee is based upon an estimated daily volume of sewage to be received into the Trunk Lines from Assignee's Service Lines. The Company reserves the right, at the Company's option, to meter the actual volume of sewage generated by Assignee. In the event the actual volume is greater than the volume originally estimated, the Company may charge an additional Sewer Reservation Fee and Sewer Charges based upon the actual volume. Assignee shall not allow any volume of sewage to enter the Company's Main Line in excess of the amounts allowed pursuant to the SSA.
- (h) Assignee may not assign the Assigned Capacity and shall remain fully liable therefor until such time as the successor or assignee of the Assigned Capacity has executed a Sewer Service Agreement in substantially the same form and substance as this Agreement and the Sewer Reservation Fee and Sewer Charges for the Assigned Capacity have been paid in full. Except as provided in the SSA, Assignee shall not be entitled to a refund of any portion of the Sewer Reservation Fee previously paid to the Company.
- (i) This Agreement shall run with title to Assignee's Property, be binding upon Assignee, its successors and assigns forever, and on any other person or entity who owns Assignee's Property or any portion thereof or has an interest therein or who is in possession of same or any part thereof.

4. **DEFAULT PROVISIONS:**

In the event Assignee should default in (1) the payment of any Sewer Charges or any other fee, charge, cost or expense for which Assignee is responsible hereunder or under the SSA, or (2) Assignee should default in the volume or type of sewage allowed to be discharged into Assignee's Service Lines, as set forth in the SSA, the Company, in the Company's sole discretion, may exercise any, all or any combination of the following remedies:

- (i) the Company may impose any or all of the following **fees and charges**: late charges, surcharges, interest, collection fees and expenses in addition to attorney's fees, court costs and all other expenses incurred by the Company for Assignee's noncompliance with or default under the terms and provisions hereof or of the SSA; and/or
- (ii) the Company may **disconnect Assignee's Service Lines** from the building or dwelling within Assignee's Property for Assignee's failure to pay any sums due and payable to the Company, or if Assignee violates any of the terms or provisions hereof or of the SSA; and/or
- (iii) the Company shall be and hereby is authorized and entitled to execute any and all agreements, documents, and instruments for the **disconnection of domestic water service** serving Assignee's Property. Assignee, by connecting and using Assignee's Service Lines,



shall be deemed to, does hereby, irrevocably appoint the Company as its respective agent and attorney-in-fact for the purpose of executing, signing, acknowledging, and swearing to any and all instruments, certificates, documents, and agreements relating to the disconnection of domestic water service to Assignee's Property for and in the name of Assignee and in Assignee's name, place and stead. The power and authority granted herein is hereby declared to be irrevocable and a power coupled with an interest which shall survive Assignee and be binding on Assignee and Assignee's heirs, executors, administrators, personal representatives, successors and assigns and anyone having any interest in Assignee's Property, or any portion thereof; and/or

- (iv) the Company may commence and maintain **a lawsuit against Assignee** to enforce this Agreement and the SSA and any such judgment rendered shall include all Sewer Reservation Fees and Sewer Charges payable to the Company along with all late charges, surcharges, interest, collection fees and expenses in addition to attorney's fees, court costs and all other expenses incurred by the Company; and/or
- (v) Assignee, its successors and assigns, grants and conveys to the Company an equitable and continuing lien upon Assignee's Property and upon any and all interest therein, which said lien shall secure the prompt payment of any and all sums due and payable to the Company, or in the event Assignee violates any of the terms or provisions hereof or of the SSA, which lien shall run with the land and the title to Assignee's Property and any portion thereof. The Company shall have the right to **file such lien against Assignee's Property** in the Probate Office of Shelby County, Alabama, in a form adopted and approved by the Company, which lien shall secure the prompt payment of all Sewer Reservation Fees, Sewer Charges, late charges, surcharges, interest, collection fees and expenses in addition to attorney's fees, court costs and all other expenses incurred by the Company.

[SIGNATURES ON FOLLOWING PAGE]

This instrument prepared by:
Mary Thornton Taylor
Taylor Partners, LLC
Attorneys at Law
26192 Canal Road
P.O. Box 489
Orange Beach, AL 36561



20121107000427770 5/9 \$36.00
Shelby Cnty Judge of Probate, AL
11/07/2012 09:47:13 AM FILED/CERT

Assignee's Initials SMR

COMPANY:

DOUBLE OAK WATER RECLAMATION, L.L.C., an Alabama limited liability company

By: SWWC Services, Inc., Its Manager

By: 
Carol Jones
Its Finance Manager

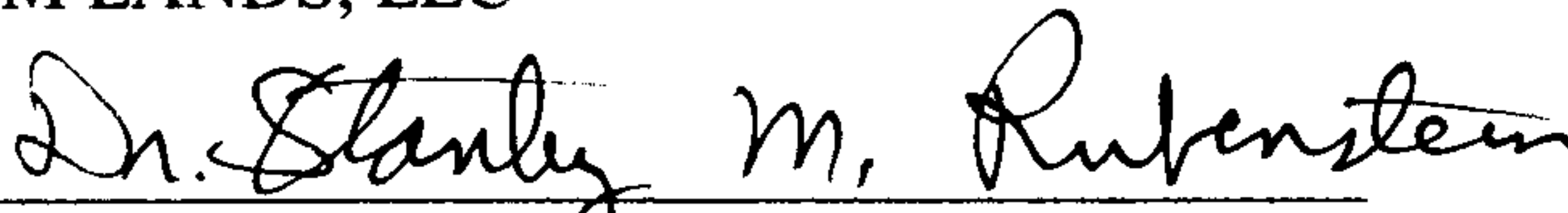
ASSIGNOR:

PATE MONTGOMERY, LLC

By: _____
Its _____

ASSIGNEE:

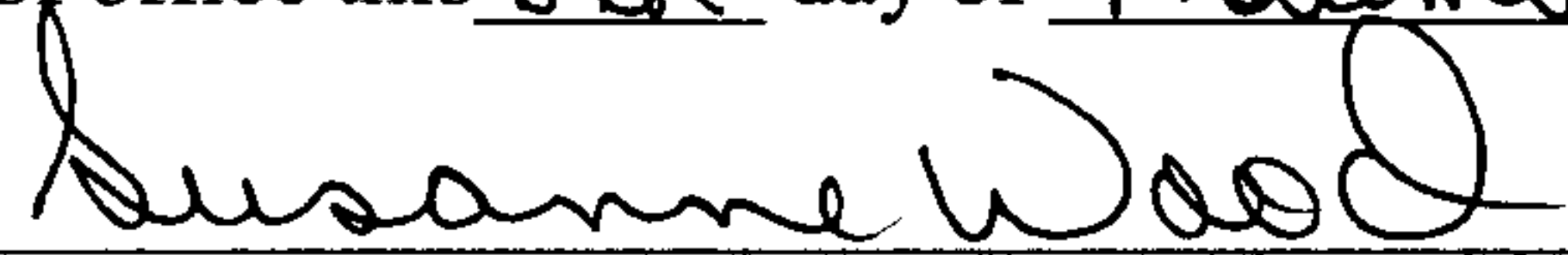
7 S&M LANDS, LLC

By: 
Its Manager

STATE OF ALABAMA)
COUNTY OF Shelby)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Carol Jones, whose name as Finance Manager of SWWC Services, Inc., as Manager of DOUBLE OAK WATER RECLAMATION, LLC, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation as Manager as aforesaid on the day the same bears date.

Given under my hand and official seal of office this 6th day of November, 2012.


Notary Public
My Commission Expires: 03.10.14

Assignee's Initials SMR



STATE OF ALABAMA)
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that _____, whose name as _____ of PATE MONTGOMERY, LLC, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company on the day the same bears date.

Given under my hand and official seal of office this _____ day of _____, 2012.


Notary Public
My Commission Expires: _____

STATE OF ALABAMA)
COUNTY OF Jefferson)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Dr. Stanley M. Rubenstein whose name as Manager of 7 S&M LANDS, LLC, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company on the day the same bears date.

Given under my hand and official seal of office this 24th day of October, 2012.

Marcia Yates Pidcock
Notary Public
My Commission Expires: _____
NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Apr 8, 2013
BONDED THRU NOTARY PUBLIC


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Shelby Cnty Judge of Probate, AL
11/07/2012 09:47:13 AM FILED/CERT

COMPANY:

DOUBLE OAK WATER RECLAMATION, L.L.C., an Alabama
limited liability company

By: SWWC Services, Inc., Its Manager

By: _____

Carol Jones

Its Finance Manager

ASSIGNOR:

PATE MONTGOMERY, LLC

By: _____

Its _____

ASSIGNEE:

7 S&M LANDS, LLC

By: _____

Its _____

STATE OF ALABAMA)

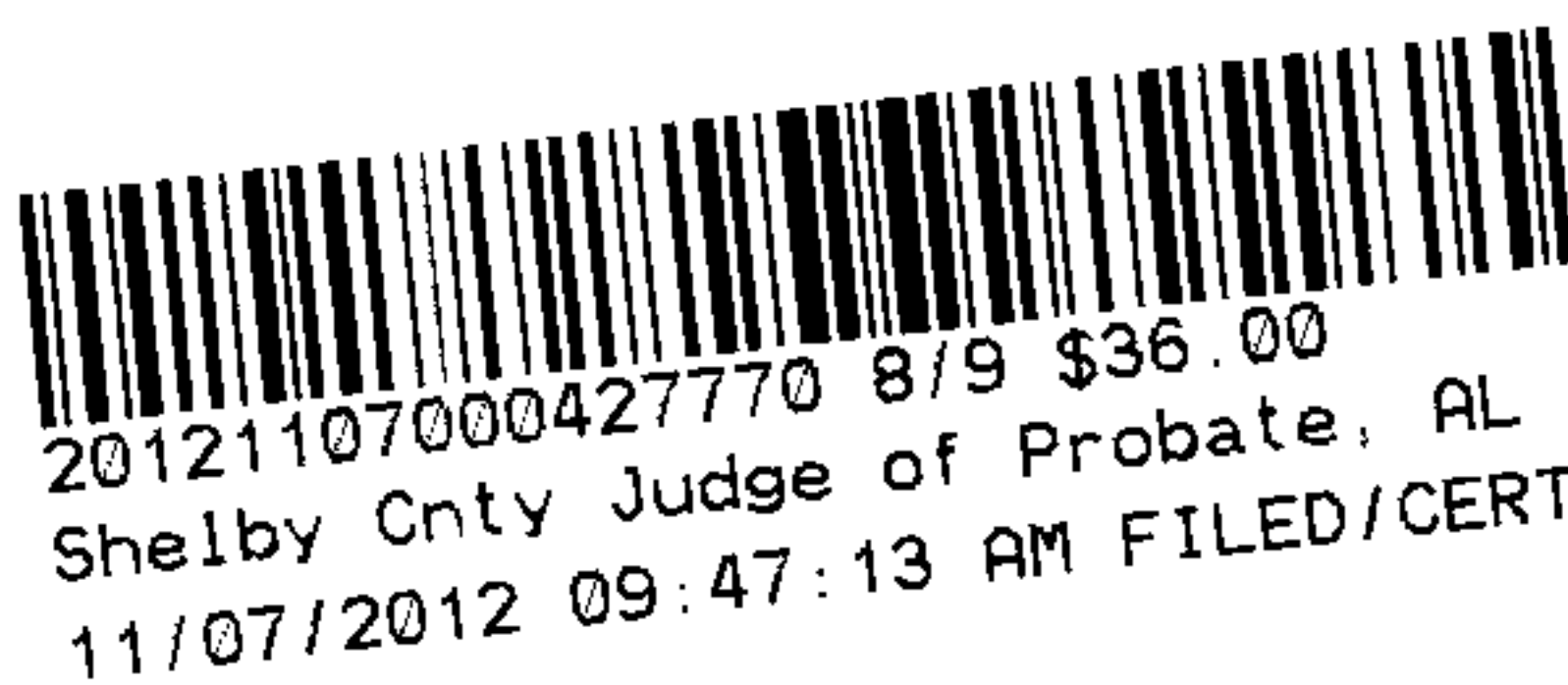
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Carol Jones, whose name as Finance Manager of SWWC Services, Inc., as Manager of DOUBLE OAK WATER RECLAMATION, LLC, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation as Manager as aforesaid on the day the same bears date.

Given under my hand and official seal of office this _____ day of _____, 2012.

Notary Public

My Commission Expires: _____



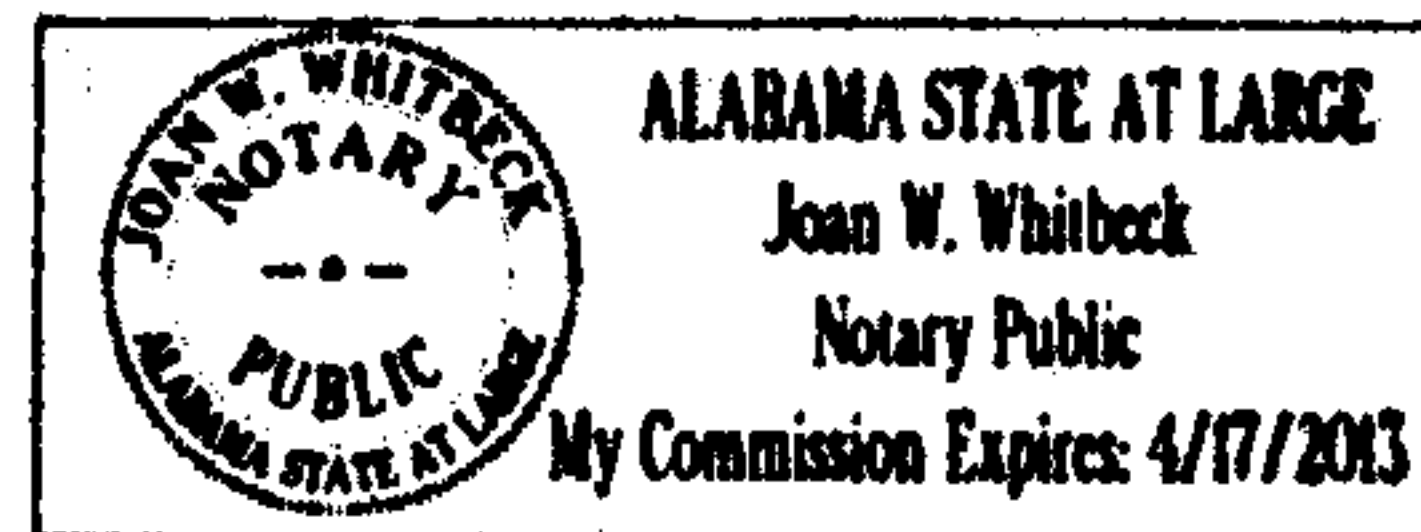
STATE OF ALABAMA)
COUNTY OF JOSEALLOOSA)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that LUTHER S. PATE, IV, whose name as MANAGER of PATE MONTGOMERY, LLC, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company on the day the same bears date.

Given under my hand and official seal of office this 5th day of November, 2012.

Joan W. Whitbeck
Notary Public
My Commission Expires: 4/17/13

STATE OF ALABAMA)
COUNTY OF Jefferson)



I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Dr. Stanley M. Rubenstein whose name as Manager of 7 S&M LANDS, LLC, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company on the day the same bears date.

Given under my hand and official seal of office this 24th day of October, 2012.

Marcia Yates Pidcock
Notary Public

My Commission Expires: NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: APR 8, 2013
BONDED THRU NOTARY PUBLIC



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Shelby Cnty Judge of Probate, AL
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