

Ross Cohen
Baker, Donelson, Bearman
Caldwell & Berkowitz, PC
420 20th Street North, Suite 1400
Birmingham, AL 35203

20170531000190600 1/12 \$48.00
Shelby Cnty Judge of Probate, AL
05/31/2017 03:20:27 PM FILED/CERT

STATE OF ALABAMA)
SHELBY COUNTY)

Agreement for Conveyance of Trusteed Assets (this "Agreement"), effective as of the 30th day of March, 2017 (the "Effective Date"), by and among **Canaan Systems, Inc.**, an Alabama corporation, (the "Management Entity"), **Community Environmental Systems, Inc.**, an Alabama corporation ("CES"), the **Developer**, who is a signatory to this Agreement (the "Developer"), and **Onsite Wastewater Management Entity Asset Holding Foundation, Inc.**, an Alabama non-profit corporation (the "Trustee") (hereinafter, each a "Party" and collectively, the "Parties"), and the Remainder/Reversion Interest Holders, if any, who are a signatory to this Agreement. Capitalized terms, not otherwise defined in this Agreement, and non-capitalized terms in quotation marks shall have the meanings ascribed to them in the Trust Indenture.

WHEREAS, the Management Entity, the Developer, CES, and the Trustee entered into that certain Trust Indenture, dated April 15, 2009 (the "Trust Indenture"), a copy of which is attached as Exhibit A affecting certain real property more particularly described on Exhibit B;

WHEREAS, the Trust Indenture provides that the Cluster System (also referred to as the Trust Property) shall be held in trust to best assure compliance with the Statute and rules promulgated thereunder;

WHEREAS, the requirement to hold the Cluster System in trust was provided for in the Statute and the rules promulgated thereunder (“Rules”), including, but not limited to, Alabama Department of Public Health (“ADPH”) Rule 420-3-1-.98;

WHEREAS, the Statute was repealed effective May 22, 2009, and replaced with Chapter 25B of Title 22, *Code of Alabama* 1975 (the "New Law") and new rules promulgated thereunder;

WHEREAS, the repeal of the Statute and the enactment of the New Law has the consequences of making the Rules inapplicable;

WHEREAS, Community Utilities of Alabama Inc. ("Buyer") and Management Entity (the "Seller") have entered into that certain Asset Purchase Agreement, dated May 6, 2016, as amended (the "Asset Purchase Agreement"), pursuant to which the Cluster System is to be sold by Management Entity to Buyer;

WHEREAS, the Trust Indenture provides, among other things, the grant of a trust is for the benefit of the present and future owners of all and each of the properties now or in the future connected to the Cluster System, as well as the holders of mortgages covering said properties, and the Trustee shall hold the title to such property in trust until certain events shall occur;

WHEREAS, one of the events for the cessation of holding title to the Cluster System in trust has two independent requirements - first, the Cluster System is purchased by a "public utility" for maintenance and operation and, second, the Trust Property is transferred to another trust pursuant to the sales and purchase agreement approved by the ADPH;

WHEREAS, Buyer is a "public utility" and satisfies the first requirement for the cessation of holding title to the Cluster System in trust;

WHEREAS, since the Statute, requiring the holding of title to the property in trust, has been repealed, and the ADPH no longer has regulatory authority over privately owned waste water systems, and the New Law does not have a requirement that title to such property be held in trust and the Alabama Public Service Commission has the regulatory authority over privately owned waste water systems under the New Law, including requirements for posting bond by and certification of financial viability of waste water system operators, the second requirement need not be satisfied;

WHEREAS, Rule 770-X-9-.08(8), Titling of Wastewater System Property, promulgated under the New Law by the Alabama Public Service Commission, provides that Wastewater Management Entities, as defined in the new rules, are required to hold title to the components of the waste water system;

WHEREAS, the parties to the Asset Purchase Agreement wish to consummate the transactions contemplated therein and the Parties and the Remainder/Reversion Interest Holders wish to approve the consummation of those transactions with respect to the Cluster System and to terminate the trust provided for under the Trust Indenture and their interests thereunder;

WHEREAS, the Alabama Public Service Commission has approved the application of Buyer and the consummation of the transactions contemplated in the Asset Purchase Agreement;

WHEREAS, the Parties and the Remainder/Reversion Interest Holders do not believe the waste water services now provided to the customers of the Cluster System will be compromised, diminished, reduced, be less effective or useful following the consummation of the transactions contemplated in the Asset Purchase Agreement, and that consummation of the transactions contemplated in the Asset Purchase Agreement serves the best interests of the customers of the Cluster System and it is reasonable to conclude the Alabama Public Service Commission has reached the same conclusion based on its approval of the transaction;

WHEREAS, the Parties and the Remainder/Reversion Interest Holders wish to approve the conveyance of the Cluster System to Buyer pursuant to the terms and conditions of the Asset Purchase Agreement, wish to terminate the trust under the Trust Indenture pursuant to its terms, and wish to relinquish any and all rights under the Trust Indenture, including, but in no way limited to, any and all reversionary or remainder interests of any kind or nature in the Cluster System; and

WHEREAS, Bent River presently has no Homeowners Association.

NOW, THEREFORE, in consideration of the premises herein, and of other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Incorporation by Reference of Recitals. The Parties and Remainder/Reversion Interest Holders (as hereinafter defined) hereby incorporate the recitals of this Agreement by reference as if each of them were set out in full in this Agreement.
2. Revocation of Trust. The Management Entity and the Developer, who is a signatory to this Agreement, as Grantors of the trust established under the Trust Indenture, hereby revoke the trust established under the Trust Indenture (the "Revocation") and instruct the Trustee to convey the Cluster System to the Management Entity. The Management Entity will then convey the Cluster System to Buyer, in accordance with the transaction contemplated in the Asset Purchase Agreement and approved by the Alabama Public Service Commission. Both the Developer and CES waive any interest in the Cluster System that may result from the revocation of the Trust Indenture.
3. Approve Conveyance of Cluster System to Buyer. With the understanding the maintenance and operation of the Cluster System will be subject to the New Law and the regulatory authority of the Alabama Public Service Commission, and the belief the conveyance of the Cluster System to Buyer will not adversely affect the waste water services now provided to the customers of the Cluster System, the Parties and the Remainder/Reversion Interest Holders approve the conveyance of the Cluster System to Buyer pursuant to the terms and conditions of the Asset Purchase Agreement.


4. Termination of Trust Under Trust Indenture. With the understanding and belief the trusteeship of the assets comprising the Cluster System is no longer required due to the repeal of the Statute and Rules and the enactment of the New Law and new rules, and the regulatory authority of the Alabama Public Service Commission over Buyer and the Cluster System following the conveyance of the Cluster System to Buyer, then, provided the Revocation is not effective to cease and terminate the rights of any person, other than the Management Entity, to any portion of the Cluster System, the Parties and the Remainder/Reversion Interest Holders wish to allow, and hereby agree to, the trust under the Trust Indenture to terminate according to its terms. Each of the Parties and the Remainder/Reversion Interest Holders do herewith waive and relinquish any and all rights and remedies of any nature whatsoever which are related to or in connection with the termination of the Trust Indenture; provided, however, that the Management Entity does not relinquish any right to receive the remainder or reversionary interest in the Cluster System.

5. Relinquishment of Reversionary and Remainder Interests in Cluster System. Provided the Revocation is not effective to cease and terminate the rights of any person, other than the Management Entity, to any portion of the Cluster System upon such revocation and reversion to the Management Entity, or otherwise, the Developer and any other person who possesses the right to a reversionary interest in any of the assets comprising the Cluster System or the right to a remainder interest, whether vested or contingent (by the virtual representation of any such person by the Parties and any other persons possessing vested rights), in any of the assets comprising the Cluster System (the "Remainder/Reversion Interest Holders"), who are signatories to this Agreement, hereby forever relinquish, release, waive and disclaim (the "Release") any such rights whether now existing or existing after the Effective Date, it being their intent for such rights or interests to otherwise pass under the Trust Indenture according to its terms; provided, however, the right of the Management Entity to a reversion of the Cluster System is not included within the Release.

6. Successors and Assigns. This Agreement shall inure to the benefit of, and shall be binding upon, the successors and assigns of the parties hereto.

7. Counterparts. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts together constitute but one and the same instrument.

[Signature Pages Follow]


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IN WITNESS WHEREOF, the parties hereto have caused this Agreement for Conveyance of Trusteed Assets to be executed all as of the date above first written.

Management Entity:

Canaan Systems, Inc., an Alabama corporation

By: [Signature]
Its: PRESIDENT


STATE OF ALABAMA)
)
COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Roger D. Rader, whose name as PRESIDENT of Canaan Systems, Inc., an Alabama corporation, 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 such instrument, he, as such PRESIDENT and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 30th day of March, 2017.

[NOTARIAL SEAL]

[Signature]
Notary Public
My Commission Expires: 4/6/2018


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CES:

Community Environmental Systems, Inc.,
an Alabama corporation

By: *[Signature]*

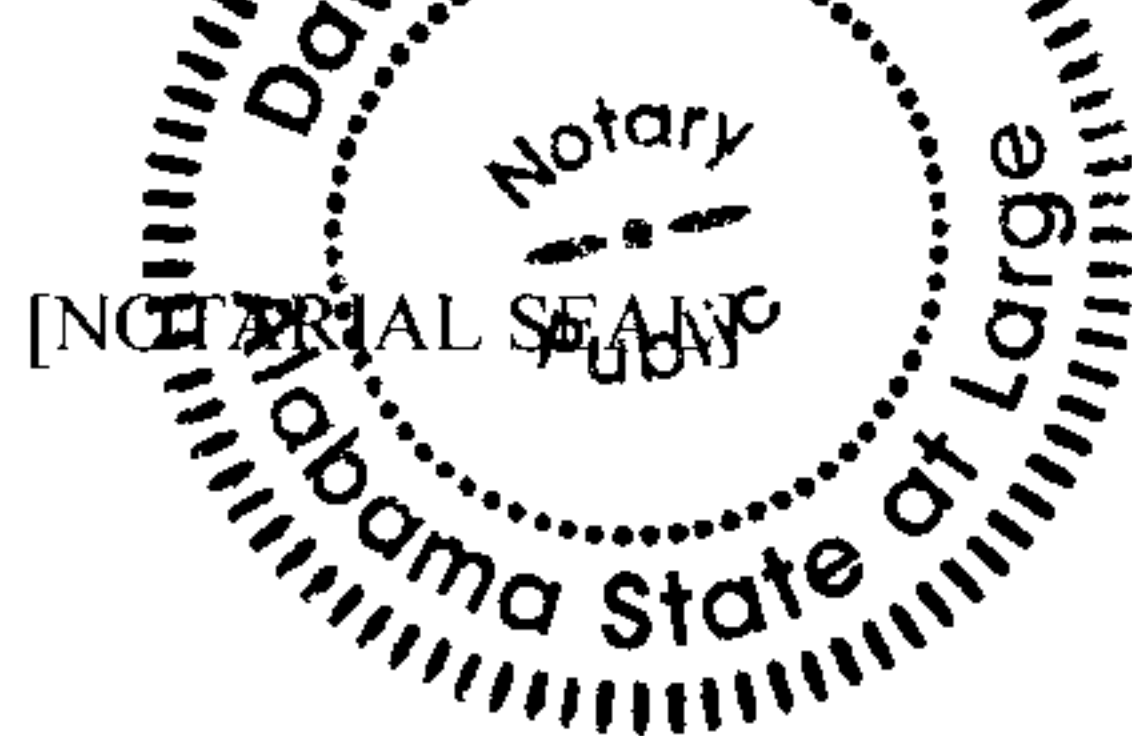
Its: _____

Charles G. Kecker, Jr.
President


STATE OF ALABAMA)
)
COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Charles G. Kecker Jr. whose name as the President of Community Environmental Systems, Inc., an Alabama corporation, 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 instrument, he, as such President and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 30 day of March, 2017.



[Signature]
Notary Public
My Commission Expires: 3/6/19


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Developer:

Multi-Vest, LLC, an Alabama limited liability company (formerly known as Multi-Vest, Inc.)

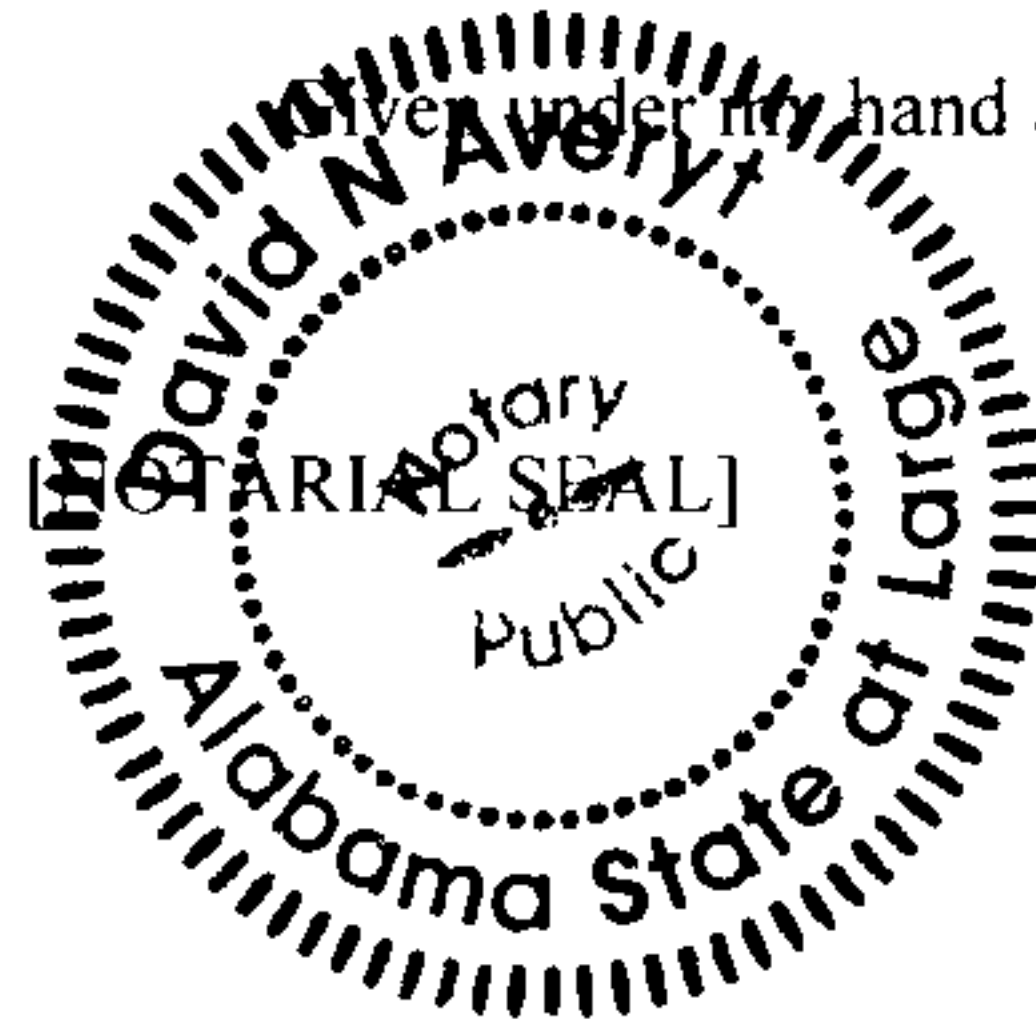
By: Charles G. Kessler, Jr.

Title: Manager of KF Manager, LLC,
the Manager of Multi-Vest, LLC

STATE OF ALABAMA)

COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Charles E. Kessler Jr., whose name as Mgr. of Mgr. of Wellington Development Company, 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 such instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.



Given under my hand and official seal this 30 day of March, 2017.

[Signature]
Notary Public

My Commission Expires: 5/6/19



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Trustee:

**Onsite Wastewater Management Entity
Asset Holding Foundation, Inc.**

By: _____

Its: _____

STATE OF ALABAMA)

COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Roger D. Rader whose name as the PRESIDENT of Onsite Wastewater Management Entity Asset Holding Foundation, Inc., an Alabama corporation, 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 instrument, he, as such _____ and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 30th day of March, 2017.

[NOTARIAL SEAL]

Kellie K. Sill
Notary Public
My Commission Expires: 4/6/2018



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Remainder/Reversion Interest Holders:

Canaan Systems, Inc., an Alabama
corporation

By: _____

Its: _____

STATE OF ALABAMA)

COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Roger D. Rader, whose name as PRESIDENT of Canaan Systems, Inc., an Alabama corporation, 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 such instrument, he, as such _____ and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 30th day of March, 2017.

[NOTARIAL SEAL]

Notary Public
My Commission Expires: 4/6/2018



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Remainder/Reversion Interest Holders:

Multi-vest, LLC, an Alabama limited liability company (formerly known as Multi-Vest, Inc.)

By: Charles E. Keeler Jr.
Title: Manager of K&K Manager, LLC,
the Manager of Multi-Vest, LLC

STATE OF ALABAMA)

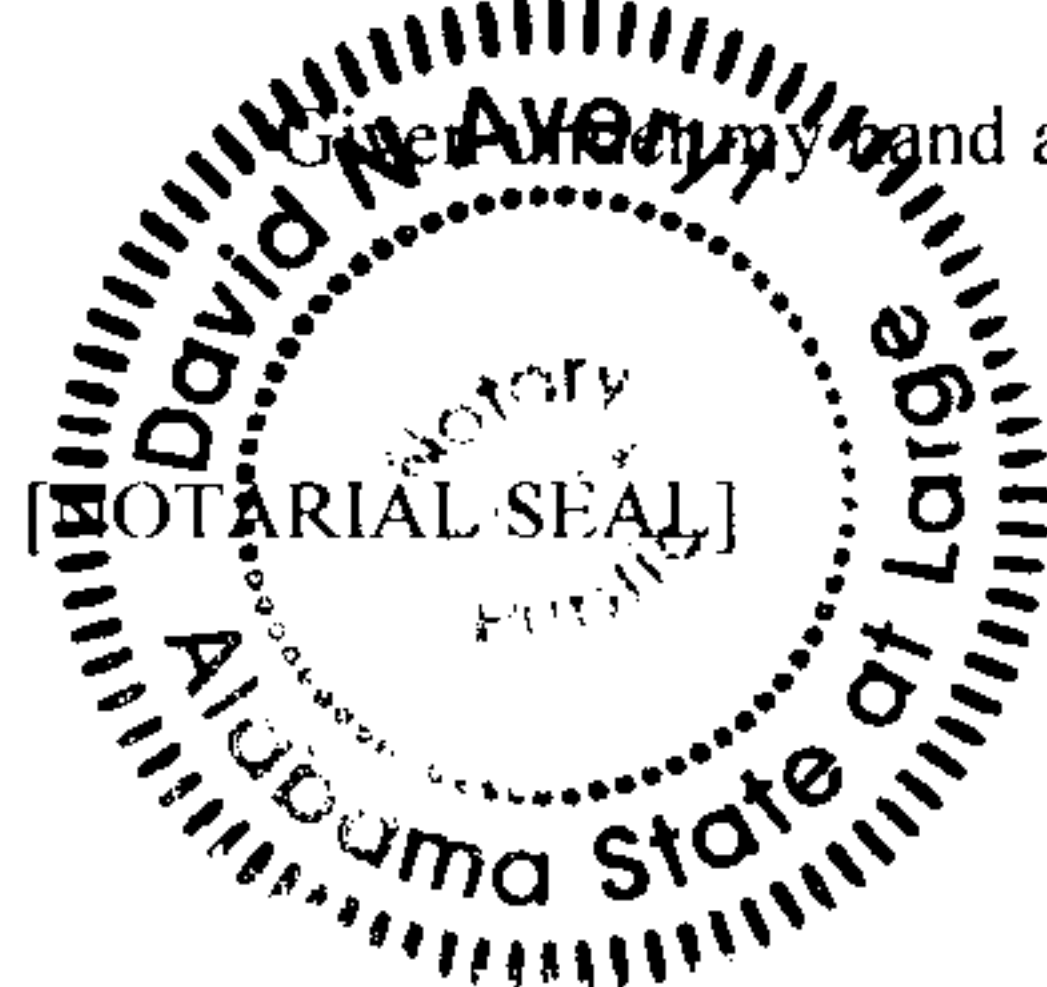
COUNTY OF SHELBY)



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I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Charles E. Keeler Jr. whose name as Mgr of K&K of Wellington Development Company, 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 such instrument, he, as such _____ and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Multi-Vest, LLC



Given under my hand and official seal this 30 day of March, 2017.

David W. Avery
Notary Public
My Commission Expires: 3/6/19

Exhibit A

Trust Indenture

attached



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Exhibit B

Commence at the Northeast Corner of the Northeast Quarter of the Northwest Quarter of Section 20, Township 19 South, Range 2 West, thence South 88°38'14" East a distance of 12.38 feet to the Point of Beginning; thence South 88°38'14" East a distance of 332.28' to a point; thence South 02°20'41" East a distance of 451.70' to a point; thence South 77°37'09" West a distance of 98.93' to a point ; thence North 24°52'31" West a distance of 60.71' to a point; thence North 15°04'29" West a distance of 45.83' to a point; thence North 27°23'45" East a distance of 60.49' to a point; thence North 20°18'18" East a distance of 139.00' to a point; thence North 42°36'40" West a distance of 78.91' to a point; thence South 85°42'46" West a distance of 195.31' to a point; thence North 71°08'04" West a distance of 67.86' to a point; thence North 08°31'60" East a distance of 133.10' to the Point of Beginning. The herein described real property being in Shelby County, Alabama and containing 78,954.57 square feet or 1.81 acres more or less.



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