

FLORIDA UTILITY SERVICES 1, LLC
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HOLIDAY, FL. 34690
863-904-5574

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2015 DEC -9 AM 9:29
COMMISSION
CLERK

December 4, 2015

Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL. 32399

RE: Docket # 150186-WU

Dear Commission Clerk:

Enclosed please find a complete copy of the Agreement for Purchase and Sale of Utility System Assets. Page 3 of 3 was mistakenly omitted in the original filing.

On behalf of the utility,

"S/" *Michael Smallridge* 

Mike Smallridge

**AGREEMENT FOR PURCHASE AND SALE
OF UTILITY SYSTEM ASSETS**

THIS AGREEMENT ("Agreement") is by and between Florida Utility Services 1, LLC, whose mailing address is 1902 Barton Park Road Suite #201 Auburndale, Florida 33823 (collectively "Buyer") and Highvest Corp., whose mailing address is 7406 U.S. 27, N. Sebring, Florida 33870 ("Seller").

For good and valuable consideration, including the mutual promises contained herein, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

1. **PURCHASED ASSETS.** Buyer shall buy from Seller, and Seller shall sell to Buyer, the assets of the "Utility System," known as "Village of Charlie Creek Water System" as described in paragraph 4 below.
2. **CLOSING DATE.** This transaction shall be closed on or before November 28, 2014, unless extended by the parties.
3. **PURCHASE PRICE.** On the Closing Date, Buyer shall pay to Seller, subject to the additions, adjustments and pro-rations referenced in this Agreement as follows: \$100.00 ("Purchase Price"). It is understood and agreed that Seller shall not have to pay any money at the Closing.
4. **THE UTILITY SYSTEM.** The "Utility System" means all of Seller's rights, title, and interest in and to: all assets (except inventory of parts and tools), real property, and rights, constituting the Utility System, including, but not limited to: all Customer Accounts and accounts receivables billed after the Closing Date; all Seller's rights, title, and interest in the real property on which any and all wells, pumps and/or tanks are located; all water distribution facilities, water treatment facilities of every kind that constitute any part of the Utility System, including but not limited to generators, pumps, plants, tanks, transmission mains, distribution mains, supply pipes, collection pipes or facilities, valves, meters, meter boxes, service connections and all other physical facilities, equipment and property installations owned by Seller and used in connection with the Utility System, wherever they may be stored, together with all additions or replacements thereto; all certificates, permits, license rights, leaseholds, and similar rights relating to the construction, maintenance, and operation of the Utility System; all water rights, flowage rights and all renewals, extensions, additions or modifications of any of the foregoing; together with all rights granted to Seller under any Certificates; all supplier lists, customer records, and, to the extent that they exist, all prints, blueprints, plans, engineering reports, specifications, shop drawings, equipment manuals, maps, and other information in Seller's possession, including any rights of Seller to obtain copies of such items from engineers, contractors, consultants or other third parties, in paper and electronic form.
5. **REAL PROPERTY.** At Closing, the following parcels shall be conveyed to Buyer, via warranty deed: 31-33-27-0000-06230-000, approx 2.41 acres MOL, ("Real Property") together with any and all other real property, via quit-claim deed, of all easements, licenses, prescriptive rights and rights owned or used by Seller for the operation and maintenance of the Utility System.


Buyer

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Seller

6. PERSONAL PROPERTY. At Closing, Seller shall deliver title, via Bill of Sale, to all personal property described herein, free and clear of all debts, liens or pledges whatsoever.

7. CLOSING COSTS. At Closing, Buyer shall pay the recording costs, the documentary tax, title insurance costs, if any. Each of the parties shall pay the fees of his or her own attorneys, accountants, and other consultants incurred in connection with this Agreement.

8. TAXES. Seller shall be responsible for paying any and all federal and state taxes and other such obligations, to the extent that they are due from the operation of the Utility System prior to the Closing Date. EXCEPTION: Buyer shall assume the responsibility of paying for the property taxes due for 2013 and 2014 on the Real Property.

9. ENTITY NAME. Buyer shall utilize, and may acquire title in the name of "Charlie Creek Utilities, LLC," and no trademark infringement shall be claimed by Seller.

10. POST-CLOSING RESPONSIBILITIES. Buyer shall assume all obligations and liabilities arising from the operation of the Utility System, from and after the Closing Date. Seller acknowledges that there are no known contracts to be assumed by Buyer.

11. LIABILITIES NOT ASSUMED. Buyer shall not be liable for any expense or liability to the extent that it arises prior to the Closing Date, or arises out of any act or violation of law, breach of permit obligation, breach of contract, tort, contract, or other act or omission of Seller occurring prior to the Closing Date. Seller shall remain responsible for all costs for services, materials and supplies incurred in connection with the operation of the Utility System prior to and including the day of Closing, including, but not limited to, electricity or telephone service. Buyer shall be responsible for all such costs and expenses incurred after Closing. However, notwithstanding the above, Buyer shall reimburse, indemnify and hold Seller and its officers and employees harmless from and against any and all liabilities, obligations, damages, losses, actions, audits, deficiencies, claims, fines, costs and expenses, including attorney's fees and costs resulting from, relating to, or arising out of the failure of Seller to obtain a Certificate from the Florida Public Service Commission for the Utility System (if such Certificate was required).

12. REPRESENTATIONS OF SELLER. As a material inducement to Buyer to execute this Agreement and perform its obligations hereunder, Seller represents and warrants to Buyer as follows:

- a. The Seller is a valid and existing Florida corporation, with the proper authority to enter into this Agreement, and all Shareholders of Seller have approved Seller entering into this Agreement.
- b. Seller is not in bankruptcy.
- c. Seller has not pledged the assets of the Utility System as collateral for any loan, and the Purchased Assets are not subject to any mortgage, pledge, lien or security interest.
- d. Seller has exclusive possession, control and ownership, and good and marketable title, to all Real Property and Purchased Assets.
- e. Seller shall not enter into any new contracts or obligations prior to Closing.


Buyer

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Seller

13. "AS-IS" CONDITION. Buyer accepts the Purchased Assets in their "As Is," "Where Is" condition, at the time of closing. Seller represents that there are no known defects other than: high-service pump is not operable; generator transfer switch is inoperable; and one of the well pumps is inoperable. Seller makes no representations or warranties regarding the condition of the Utility System.

14. REPRESENTATIONS. Other than not obtaining a Certificate from the Florida Public Service Commission (if such Certificate was required), Seller is not in material default with respect to any permit, court order, or administrative or governmental agency affecting the Utility System or any of the Purchased Assets, and Seller represents that there are no current actions or lawsuits pending or, to Seller's knowledge, threatened against the Seller, which affect the Utility System or any of the Purchased Assets, unless disclosed in writing and attached as an exhibit to this agreement. Seller agrees and warrants that it shall have a continuing duty to disclose up to and including the Closing Date any such pending or threatened actions or lawsuits.

15. TITLE INSURANCE. Buyer may, at Buyer's expense, acquire title insurance through a title insurance agent of Buyer's choice. Seller shall execute at or prior to Closing, in favor of Buyer and the Title Agent the appropriate mechanic's lien affidavit, "Gap" affidavit, or other closing document which is standard in the industry, sufficient to allow the Title Agent to delete all standard exceptions addressed by such affidavits.

16. TITLE DEFECTS. Buyer shall notify Seller, in writing, prior to closing, of any material defect in Seller's title to the Real Property, and Seller shall have thirty (30) days after receipt of Buyer's notice to eliminate the objections to title set forth in Buyer's notice, and the Closing Date shall automatically be extended by thirty (30) days, unless Buyer waives such right in writing or proceeds to Closing. However, in no event shall Seller be required to bring suit or expend any sum to cure title defects (exclusive of mortgages against the Real Property). If Seller fails to deliver title as herein provided, then Buyer may (a) accept whatever title Seller is able to convey, with no reduction in the Purchase Price, or (b) reject title, and terminate this Agreement, and neither Buyer nor Seller shall have any further liability under this Agreement.


17. SURVEY. Buyer shall have the right, but not the obligation, to have the real property surveyed, at the sole cost and expense of Buyer.

18. DOCUMENTS TO BE PROVIDED BY SELLER. At or before Closing, Seller shall provide Buyer with all of the permits, deeds, surveys, plans, maps or documents described above, which Seller has in Seller's possession.

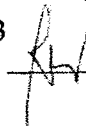
19. TERMINATION. Buyer shall have the right to terminate this Agreement for any reason, in Buyer's sole discretion, prior to closing. Seller may terminate this Agreement only upon a material breach of this Agreement by Buyer.

20. POST CLOSING COOPERATION. After Closing, Seller and Buyer shall upon reasonable request of the other, sign any corrective deeds, assignments or transfers as may be required to perform any of the obligations contained in this Agreement. The representations and warranties of the parties contained in this Agreement shall survive the closing.

21. REGULATORY APPROVAL CONTINGENCY. The sale of assets contemplated by this Agreement is subject to and contingent upon the approval by the Florida


Buyer

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Seller

Public Service Commission. As provided in Section 367.071, Florida Statutes, the parties desire to close the transaction in advance of the Florida Public Service Commission's approval.

Michael Smallridge - Managing Member
Florida Utility Services 1, LEC
By: Michael Smallridge, Managing Member

11-7-14
Date

[Signature]
Highvest Corp.
By Anthony R. Cozier, President

11-10-14
Date