WATER POLLUTION CONTROL LOAN FUND AGREEMENT

This Agreement made and entered into as of the "Effective Date," by and among the Director of Environmental Protection (the "Director"), as the Director of the Environmental Protection Agency of the State of Ohio, an agency duly created and existing under the laws of the State of Ohio, the Ohio Water Development Authority, a body corporate and politic organized and existing under the provisions of Chapter 6121 of the Ohio Revised Code (the "OWDA," and together with the Director, the "State"), and the governmental body specified as the "Borrower" on Exhibit 1, a governmental body organized and existing under the laws of the State of Ohio and acting pursuant to an ordinance or resolution passed by the legislative authority of the Borrower on the date specified on Exhibit 1 as the "Resolution Date" (the capitalized terms not defined in the recitals being as defined in Article I herein);

WITNESSETH:

WHEREAS, the OWDA has been created, among other reasons, to carry forward the declared public policy of the State of Ohio to preserve, protect, upgrade, conserve, develop, utilize and manage the water resources of the State, to prevent or abate the pollution of water resources, to promote the beneficial use of waters of the State for the protection and preservation of the comfort, health, safety, convenience, and welfare, and the improvement of the economic and general welfare and employment opportunities of and the creation of jobs for the people of the State, and to assist and cooperate with other governmental agencies in achieving such purposes through the establishment, operation and maintenance of water development projects pursuant to Chapter 6121 of the Ohio Revised Code ("R.C."); and

WHEREAS, Title VI of the Clean Water Act, as amended (the "CWA"), authorizes the Administrator of the United States Environmental Protection Agency to make capitalization grants to states to establish a state water pollution control revolving loan fund; and

WHEREAS, pursuant to the CWA, states can provide loans and other types of financial assistance from a water pollution control revolving loan fund to local communities and intermunicipal and interstate agencies for the construction of publicly-owned wastewater treatment facilities as defined in Section 212 of the CWA and for the implementation of nonpoint source pollution control management programs and development and implementation of plans under the estuary protection programs; and

WHEREAS, the Ohio General Assembly has created a water pollution control loan fund (the "WPCLF") pursuant to R.C. Section 6111.036 to provide loans and other types of financial assistance as set forth in said Section; and

WHEREAS, to assist the Director (whenever the term "Director" is used herein, such term shall also be deemed to include the Director's designated representative(s), if any) in providing loans and other types of financial assistance from the WPCLF, and to assist in the administration and operation of the WPCLF as authorized by the R.C. Section 6111.036, the Director has entered into an Interagency Agreement with the OWDA and has annually entered into a renewal of that Agreement; and

WHEREAS, the Borrower is desirous of obtaining financing for necessary Project Facilities, using funds from the WPCLF; and

WHEREAS, the State is willing to provide financing to the Borrower for such Project Facilities, and the Director has determined that the Borrower has complied with the requirements of R.C. Section 6111.036, and is therefore eligible for financial assistance for its Project Facilities under the CWA and said Section; and

WHEREAS, the Borrower has demonstrated to the satisfaction of the State that it has the capability to pay the Semi-Annual Payment over the Contract Period of Years; and

WHEREAS, the State and the Borrower have determined to enter into this Agreement to set forth their respective obligations with respect to the financing, construction, operation and ownership of the Project Facilities;

NOW THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto do hereby agree as follows:

ARTICLE I - DEFINITIONS

Section 1.1. Except where the context clearly indicates otherwise, the following terms as used in this Agreement shall have the meaning ascribed to them in this Article:

(a) "Application Fee" means a charge levied and paid by the Borrower at the time of the execution of this Agreement to partially offset administrative costs of the Agreement. This fee is not an Eligible Project Cost and is in addition to the Semi-Annual Payment. The fee is calculated at thirty five hundredths of one percent (.35%) of the estimated Eligible Project Costs, or four hundred dollars ($400.00), whichever is the greater.

(b) "Approved Application" means the application submitted to the Director on the date shown on Exhibit 1 as the "Application Date," together with all attachments, supporting documentation, amendments and supplements thereto as approved by the State, together with any amendments thereto approved by the Borrower and the State after the date of this Agreement.

(c) "Borrower" means the entity identified on Exhibit 1, which is an entity eligible to receive assistance under Section 603(C) of the CWA and R.C. Section 6111.036.

(d) "Capitalized Interest Rate" means the effective rate of interest at which interest accrues on Principal Amounts disbursed during the construction period from the date of such disbursement.

(e) "Contract Interest Rate" means the interest rate per annum shown on Exhibit 1 as "Interest Rate."

(f) "Contract Period" means the period beginning the Effective Date and ending on the date of the conclusion of the Contract Period of Years.

(g) "Contract Period of Years" means the period of calendar years shown on Exhibit 1 as "Term In Years," commencing on the Date of Initial Payment to the WPCLF as set forth on the project schedule on Exhibit 1, provided that it shall commence no later than twelve (12) months following the actual Initiation of Operation of the Project Facilities, as presently determined in the project schedule, but in no event shall the Contract Period of Years exceed 20 years.

(h) "Default Rate" means a rate equal to the Contract Interest Rate plus three percentage points.

(i) "Effective Date" means the most recent date of signature of this Agreement by the authorized representative of each of the parties, as indicated herein.

(j) "Eligible Project Costs" shall include, whether incurred before or after the date of this Agreement (but if incurred prior to the date hereof, subject to the restrictions set forth in the proviso below), costs that may be disbursed out of funds from the WPCLF, a description and distribution of which, subject to paragraph

4.1. hereof, is shown on Exhibit 1, which is hereby incorporated into this Agreement, and revision to which Exhibit can occur only with the agreement of the State and Borrower; provided, however, that Eligible Project Costs shall include costs incurred prior to the date hereof only if and to the extent that, in the opinion of nationally recognized bond counsel satisfactory to the State, the payment of such costs by the State would not cause the interest on any debt obligations of the OWDA to cease to be excluded from gross income for purposes of federal income taxation.

(k) "Facilities Plan" means all materials developed by the Borrower and the Director, including the Director's approval and any applicable conditions, in satisfaction of R.C. 6111.036 (K)(7).

(l) "Finding of No Significant Impact" or "FNSI" means all materials developed by the Borrower and the Director in satisfaction of R.C. Sections 6111.036 (K)(5) and (L).

(m) "Initiation of Operation" means the date that all Project Facilities are in full and sustained operation as planned and designed.

(n) "Participation Rate" means the dollar amount per semi-annual period necessary to amortize a principal amount of one dollar over the Contract Period of Years at the Contract Interest Rate.

(o) "Performance Certification" means the certification by the Borrower that the Project Facilities are meeting the agreed upon performance criteria on the date one year after Initiation of Operation of the Project Facilities.

(p) "Performance Criteria" means the standards set forth by the Director and agreed to in writing by the Borrower which the Borrower shall meet for the design life of the Project Facilities.

(q) "Pledged Revenues" means the one or more dedicated sources of revenue for payment of the Semi-Annual Payment, all as described in Exhibit 1, which shall include, unless otherwise indicated on Exhibit 1, Wastewater Service Charges and other revenues derived by the Borrower from the ownership and operation of its wastewater system (including, without limitation, any Special Assessment Funds), net of the costs of operating and maintaining the system and paying all amounts required to be paid under any Mortgage, Indenture of Mortgage, Trust Agreement or other instrument heretofore or hereafter entered into by the Borrower to secure debt obligations heretofore or hereafter issued or incurred by the Borrower for the system. These Pledged Revenues shall constitute a Dedicated Repayment Source, as defined in the CWA.

(r) "Project Facilities" means the facilities to be constructed pursuant to this Agreement as described generally in Exhibit 1 attached hereto and made a part hereof and more particularly described in the approved plans and specifications on file with the Director, together with any changes therein made pursuant to Article III hereof, but does not include facilities which are a part of the WRRSP Project.

(s) "Project Participation Principal Amount" means those Eligible Project Costs that are paid with moneys disbursed out of funds from the WPCLF, which costs shall in no event exceed the amount specified on Exhibit 1 as the "Principal Amount."

(t) "Project Site" means all land, rights-of-way, property rights, easements, franchise rights or other interests in real estate necessary for the construction and operation of the Project Facilities, but does not include the WRRSP Site.

(u) "Semi-Annual Payment" means the amount equal to the Project Participation Principal Amount multiplied by the Participation Rate. An estimate of the Semi-Annual Payment based on the Principal

Amount and the Participation Rate is specified on Exhibit 1 beneath the Principal Amount. A portion of Semi-Annual Payment will be deposited into an account to offset Ohio EPA administrative expenses.

If the Contract Period of Years commences prior to the final determination of the Project Participation Principal Amount, the Semi-Annual Payment shall be based upon the best figures available at the time the computation of each semi-annual payment is required to be made. When such final costs are known, the Semi-Annual Payment shall be recomputed and the next following semi-annual payment shall be either increased or decreased by a factor sufficient to correct for any overpayment or underpayment through the date of such recomputation so that the total amount received by OWDA over the Contract Period of Years will be the same amount as would have been received had the final Project Participation Principal Amount been used in computing the Semi-Annual Payment at the commencement of the Contract Period of Years. The interest during construction computed at the Contract Interest Rate shall, however, be computed based on the then existing cost allocations at the time of such computation and shall not be recomputed.

(v) "Special Assessment Funds" means the proceeds from the special assessments to be hereafter levied, if any, by the Borrower to pay all or a portion of the cost of the Project Facilities including repayment of the loan provided for herein. In such cases where assessments are to be levied, Exhibit 1 sets out the Resolution of Necessity adopted by the appropriate legislative authority.

(w) "Wastewater Service Charge" means a charge against the user payable to the Borrower for the collection or collection and treatment of wastewater and for the provision of the facilities therefor.

(x) "WRRSP Project" means the actions and facilities, including the manner of their implementation and maintenance, which have been approved by the Director under the WPCLF's Water Resources Restoration Sponsor Program and identified by the approved WRRSP Restoration / Protection Plan.

(y) "WRRSP Restoration / Protection Plan" means all materials developed by the Borrower, including materials developed by the Implementer and submitted by the Borrower, in satisfaction of the requirements of the Director to approve a WRRSP Project for assistance, including the Director's approval and any applicable conditions.

(z) "WRRSP Site" means all land, rights-of-way, property rights, easements, franchise rights or other interests in real estate necessary for the implementation, construction, and operation of the WRRSP Project.

ARTICLE II - PROPERTY INTEREST IN PROJECT SITE AND PROJECT FACILITIES AND RIGHTS OF ACCESS THERETO

Section 2.1. All real estate and interests in real estate and all personal property constituting the Project Facilities and the Project Site shall be acquired by and shall be the property of the Borrower.

Section 2.2. The Borrower agrees that the State or its designated representatives shall have the right at all reasonable times to enter upon the Project Site, WRRSP Site, WRRSP Project location, and Project Facilities and to examine and inspect the same. The Borrower further agrees that the State or its designated representatives shall have such rights of access to the Project Site and Project Facilities as may be reasonably necessary to enable the OWDA to exercise its rights pursuant to Section 5.8 hereof.

ARTICLE III - ACQUISITION OF PROJECT SITE, CONSTRUCTION OF PROJECT FACILITIES, AND PAYMENT OF COSTS THEREOF

Section 3.1. Subject to the terms and conditions of this Agreement, the Borrower shall do all things necessary to construct the Project Facilities on the Project Site (which the Borrower hereby represents has been acquired by the Borrower) by means of the construction contract bids received on the date specified on Exhibit 1 as "Bid Opening."

Section 3.2. In connection with the construction of the Project Facilities, the Borrower agrees that:

(a) It will proceed expeditiously with, and complete, the Project Facilities in accordance with the specific terms and conditions of each of the following: the approved facilities plan, the Finding of No Significant Impact, the approved project schedule, and the approved project detailed plans and specifications, or amendments thereto as approved by the Director. The Borrower accepts such performance as an essential element of this Agreement.

(b) The construction contract(s) will provide that the designated representatives of the State will have access to the work whenever it is in preparation or progress and that the contractor will provide for such access and inspection.

(c) The construction of the Project Facilities on the Project Site, including the letting of contracts in connection therewith, will conform to applicable requirements of Federal, State and local laws, ordinances, rules and regulations and will be performed in compliance with all applicable federal, state and local environmental laws and regulations in effect as of the date hereof.

(d) Following construction contract award and prior to the commencement of construction, the Borrower will arrange and conduct a pre-construction conference to include the Borrower, the consulting engineers of the Borrower, and all contractors, and designated representatives of the State as appropriate or necessary.

(e) All construction contracts and contractors' estimate forms will be prepared so that materials and equipment furnished to the Borrower may be readily itemized by the Borrower and identified, if necessary, as to Eligible Project Costs and non-Eligible Project Costs.

(f) The Borrower will not submit requests for disbursement of non-Eligible Project Costs. If, based on a payment request submitted by the Borrower, the State disburses funds from the WPCLF which are subsequently determined to be for non-Eligible Project Costs, the State will be under no obligation to provide WPCLF funding beyond the Eligible Project Costs as shown on Exhibit 1, as amended.

(g) Any change or changes in a construction contract regardless of costs which substantially modify the proposed Project Facilities or alter the direct or indirect impact of the Project Facilities upon the environment will be submitted to the Director for prior approval and then, upon approval, be forwarded to the OWDA. The Borrower shall be precluded from submitting to the OWDA payment requests for Eligible Project Costs associated with the change orders until such time as the Director's approval of the change orders has been obtained.

(h) Change orders not requiring prior approval of the State will be submitted to the Director within one (1) month of the time at which they are approved by the Borrower. The Borrower shall be precluded from

submitting to the OWDA payment requests for Eligible Project Costs associated with the change orders until such time as the Director's approval of the change orders has been obtained.

(i) The Borrower will comply with all certifications and assurances as agreed to in the Application Compliance Certification, signed by the Authorized Representative of the Borrower.

(j) The Borrower shall be precluded from submitting to the OWDA payment requests for Eligible Project Costs unless the Borrower is in full compliance with the certifications and assurances made in the above referenced Application Compliance Certification.

(k) Except as otherwise provided in this Agreement, the Borrower shall have the sole and exclusive charge of all details of the construction of the Project Facilities.

(l) In any year in which disbursements to the Borrower under this Agreement exceed $750,000 the Borrower shall comply with the Single Audit Act (SAA) of 1984, as amended by the Single Audit Act Amendments of 1996 and December 26, 2013 (see circular A-133) and have an audit of its use of Federal financial assistance. The Borrower agrees to keep a copy of the SAA audit available for review, if requested, by the State for the life of the loan period.

(m) In the event construction costs are to be paid from loan proceeds under this Agreement, the Borrower shall comply with the Federal Davis-Bacon Act, codified at 40 U.S.C. 276a-276a-5 unless waived in writing by the State.

(n) The Borrower acknowledges and agrees that its obligation under Section 3.2(c) to conform to applicable requirements of Federal laws, rules and regulations, includes, without limitation, the obligation to:

(i) comply with all applicable Federal requirements imposed by the 2014 Appropriations Act and related State Revolving Fund Policy Guidelines, including, among others, requirements that all of the iron and steel products used in the Project are to be produced in the United States ("American Iron and Steel Requirement") unless (A) the Borrower has requested and obtained a waiver from the Director pertaining to the Project or (B) the Director has otherwise advised the Borrower in writing that the American Iron and Steel Requirement is not applicable to the Project.

(ii) comply with all record keeping and reporting requirements under the CWA, including any reports required by the Federal agency or the Director such as performance indicators of program deliverables, information on costs and project progress. The Borrower understands that (A) each contract and subcontract related to the Project is subject to audit by appropriate Federal and State entities and (B) failure to comply with the CWA and this Agreement may be a default hereunder that may result in the required immediate repayment from the Borrower of financial assistance provided under this Agreement and/or other remedial actions.

(o) The Borrower agrees to comply with the requirements of section 603(d)(1)(E)(i) of the CWA, added to the CWA by the Water Resources Reform and Development Act of 2014 (WRRDA), for a Fiscal Sustainability Plan (FSP). The Borrower agrees to certify, as part of the Performance Certification, a Fiscal Sustainability Plan has been developed and implemented.

Section 3.3. The Borrower shall keep accurate records of the Eligible Project Costs. These records must be kept in accordance with generally accepted government accounting standards, including standards

relating to the reporting of infrastructure assets, in accordance with generally accepted accounting principles as issued by the Governmental Accounting Standards Board. The Borrower shall permit the State, acting by or through its designated representatives, to inspect all books, documents, papers and records relating thereto at any and all reasonable times for the purpose of said audit and examination, which examination may include examination for compliance with the CWA and R.C. Section 6111.036, and the Borrower shall submit to the State such documents and information as they may require in connection therewith.

Section 3.4. The Borrower shall require that each construction contractor shall furnish a performance and payment bond in an amount at least equal to 100 percent of its contract price as security for the faithful performance of its contract.

Section 3.5. The Borrower shall require that each of its contractors and all subcontractors maintain during the life of its contract, Workers' Compensation Insurance, Public Liability, Property Damage, Vehicle Liability Insurance, and Flood Insurance if appropriate, in amounts and on terms satisfactory to the State. Until the Project Facilities are completed and accepted by the Borrower, the Borrower or (at the option of the Borrower) the contractor shall maintain Builders Risk Insurance (fire and extended coverage) on a 100 percent basis (completed value form) on the insurable portion of the Project Facilities for the benefit of the Director, the OWDA, the Borrower, the prime contractor, and all subcontractors, as their respective interests may appear.

Section 3.6. The Borrower shall provide and maintain competent and adequate engineering services; said services covering the supervision and inspection of the development and construction of the Project Facilities in accordance with the specific terms and conditions of each of the following: the approved project facilities plan, the Finding of No Significant Impact, and the approved project detailed plans and specifications, or State approved amendments thereto.

Section 3.7. Subject to the terms and conditions of this Agreement, the approval of the Director, and upon compliance by the Borrower with all the requirements of the WPCLF, the R.C. Section 6111.036, and the CWA, which must be met before receiving disbursement of Eligible Project Costs from the OWDA, the Eligible Project Costs shall be disbursed by the OWDA. In the event this Agreement is terminated by the State pursuant to, and not in breach of, the provisions of this Agreement, or by subsequent agreement of the parties, or in the event this Agreement is terminated by the Borrower, whether or not in breach of the Agreement, the Project Participation Principal Amount disbursed shall be due and payable in full no later than thirty (30) calendar days after said termination, or, at the State's option, upon terms mutually agreed to between the State and the Borrower.

Section 3.8. Upon being satisfied that the requirements of this Agreement have been met, the OWDA shall deliver to the Borrower a certificate, signed by the trustee for the WPCLF (hereinafter referred to as the "Trustee", which has entered into a Trust Agreement with the Director and the OWDA to provide for the administration of the WPCLF), certifying that monies in the amount necessary to pay all Eligible Project Costs are available or are within the present WPCLF Federal letter of credit ceiling and have been set aside by the Trustee to pay such Eligible Project Costs. When such Eligible Project Costs have been incurred and payment requested from the OWDA by the Borrower, subject to the terms and provisions of this Agreement and the Interagency Agreement, and in accordance with the requirements of paragraph (j) of Section 3.2. above, the OWDA shall cause the Trustee to disburse monies of the WPCLF in payment of the invoices, demands for payment, or other evidence of cost incurrence to be made to the persons or entities entitled to payment in conformity with the encumbrance of funds set forth in such certificate to pay such obligated

Eligible Project Costs. The Borrower represents and agrees that it will not seek or obtain alternative funding for the Eligible Project Costs of the Project Site and the Project Facilities without the prior written consent of the State.

Section 3.9. Upon completion of the Project Facilities, the Borrower shall make a full and complete accounting to the State of the final Eligible Project Costs.

Section 3.10. The Borrower shall comply with the following requirements in accordance with the time schedule contained in Section 3.11. hereof:

(a) In addition to the legislation required by this Agreement in the preambles, the Borrower, through its legislative body, shall pass legislation, to implement the system of user charges (Operation, Maintenance, and Replacement expenses) and the sewer use ordinance that was contingently approved by the Director prior to the execution of this Agreement. In addition, as appropriate, the Borrower shall execute an approved intermunicipal service agreement, as described in the State of Ohio EPA Guidance for a User Charge System, as amended.

(b) The Borrower shall complete all activities and documents provided in the Operation and Maintenance (O&M) Program Plan as amended.

(c) If deemed necessary by the approved Facilities Plan, the Borrower shall be in compliance with any required sewer system evaluation and rehabilitation schedules, as described in the approved Facilities Plan, accepted in the Approved Application, and incorporated into this Agreement on Exhibit 1 as "Special Terms and Conditions," and made a part hereof.

(d) The Borrower shall comply with applicable "fair share" goals and reporting annually by October 15th of each year for utilization of Disadvantaged Business Enterprises.

(e) On the date one year after Initiation of Operation of the Project Facilities, the Borrower shall prepare and submit to the Director the Performance Certification report and Performance Certification. Should the Project Facilities not be in compliance with the Performance Criteria, on the date one year after Initiation of Operation of the Project Facilities, the Borrower will prepare and submit to the Director a corrective action report outlining what tasks are necessary to meet the Performance Criteria, and setting forth a schedule, acceptable to the State, which will allow the Borrower to meet said Performance Criteria.

Section 3.11. The Borrower shall be in conformance with the requirements of Section 3.10. above and in compliance with the following:

(a) By the time 50% of the Eligible Project Costs to be reimbursed by WPCLF moneys have been disbursed by OWDA, the Borrower must demonstrate, to the satisfaction of the State, that it has completed the requirements of paragraph (a) of Section 3.10. above.

(b) No later than one year after Initiation of Operation, the Borrower shall complete all activities and documents provided in the O&M Program Plan and participate in a final evaluation meeting.

(c) At any time during the effective period of this Agreement, the Borrower must demonstrate, to the satisfaction of the State, that it is in compliance with the requirements of paragraphs (c) and (d) of Section 3.10. above, as the compliance relates to construction of the Project Facilities.

Except as related to paragraphs (c) and (d) of Section 3.10. above, upon the failure of the Borrower to comply with the provisions of Section 3.10. and 3.11. herein as determined by the Director, the OWDA shall employ consulting engineers or other qualified personnel to perform any services necessary for the implementation of such requirements. All costs incurred by the OWDA in the employment of said personnel will be included in the Eligible Project Costs of the Project Facilities. Additionally, during the period of non-compliance with any of the requirements, the Borrower shall be precluded from submitting payment requests as noted in paragraph (k) of Section 3.2. above and the State shall not be obligated to approve such requests during such period of non-compliance.

ARTICLE IV - PAYMENTS BY BORROWER

Section 4.1. Subject to the further provisions hereinafter set forth, the Borrower agrees to and shall pay at the time of the execution of this Agreement the Application Fee and thereafter, semi-annually on January 1, and July 1 of each year of the Contract Period of Years to the WPCLF, the Semi-Annual Payment, solely from the Pledged Revenues.

The obligation of the Borrower to pay the charges set forth in this Section 4.1 shall not be assignable, and the Borrower shall not be discharged therefrom, without the prior written consent of the State. In the event that construction or operation of the Project Facilities shall cease or be suspended for any reason, unless otherwise agreed to in writing by the State, the Borrower shall continue to be obligated to pay such charges pursuant to this Section 4.1. In the event the Borrower defaults in the payment of the Semi-Annual Payment, the amount of such default shall bear interest at the Default Rate from the date of the default until the date of the payment thereof. All costs incurred by the State in curing such default including, but not limited to, court costs and attorney's fees shall be paid by the Borrower upon demand, and shall not be eligible for inclusion in a WPCLF Loan Agreement.

In the event that the Borrower fails to make a full Semi-Annual Payment as provided herein, the amount of any such partial payment first shall be applied as interest on the loan, with the remainder being applied toward the payment of the outstanding principal.

With respect to this Agreement, neither the general resources nor the general credit of the Borrower but only the Pledged Revenues, shall be required to be used, or pledged for the performance of any duty under this Agreement. This Agreement does not represent or constitute a debt or a pledge of the faith and credit of the Borrower. However, if otherwise lawful, nothing herein shall be deemed to prohibit the Borrower from using, of its own volition, any of its general resources for the fulfillment of any of the terms and conditions of this Agreement.

Section 4.2. It is agreed that, no later than the fifteenth day of June, and December, the OWDA shall invoice the Borrower for the sum owing by the Borrower pursuant to Section 4.1. and that payment of each such invoice shall be made by the Borrower to the OWDA not later than the first day of the following July or January. No failure by the OWDA to send any such invoice and no failure by the Borrower to receive any such invoice shall relieve the Borrower from its obligation to pay the amount due hereunder on the applicable due date.

Section 4.3. The Borrower hereby agrees:

(a) That it will at all times prescribe and charge such rates, after meeting: (1) operation and maintenance expenses therefore, and, (2) if required by the Director pursuant to R.C. Section 6111.036, a contribution to the Borrower's Capital Improvements Fund and, (3) the payment of all amounts required by

any Mortgage, Indenture of Mortgage, Trust Indenture or other instrument heretofore or hereafter granted by the Borrower, or contractual obligations between the Borrower and the State, payable solely from Pledged Revenues, as shall result in revenues at least adequate, to provide for the payments required by Section 4.1. hereof minus the amount of such payment provided from other Dedicated Repayment Sources, if any, and

(b) That the Borrower will, for the Contract Period of Years, furnish annually to the State reports of the operation and income of the wastewater system and also an annual report of the accounts and operations of the wastewater system and such other documents as the State may reasonably request in order to respond to requests for documentation from rating agencies or providers or potential providers of credit enhancement for debt obligations of the OWDA, and the Borrower will permit the designated representative of the State to inspect all records, accounts and data of the Project Facilities at all reasonable times, and

(c) That the Borrower will segregate the revenues, funds and properties of the wastewater system from all other funds and properties of the Borrower.

All of the obligations under this Section are hereby established as duties specifically enjoined by law and resulting from an office, trust, or station upon the Borrower within the meaning of R.C. Section 2731.01.

Section 4.4. If the Borrower pays all or any portion of the Semi-Annual Payment from Special Assessment Funds, and if any payor of the Special Assessment Funds elects to pay the special assessments in a one-time, lump-sum payment in lieu of having the special assessments certified to the appropriate county auditor for periodic collection, then the Borrower may elect to apply the amount of such payment to the reduction of the Project Participation Principal Amount by including that amount with its next Semi-Annual Payment pursuant to Section 4.1. hereof, accompanied by a written notice to the State identifying the amount so included and directing the State so to apply that amount. Upon the receipt of such payment and notice, the OWDA shall recompute the remaining Semi-Annual Payments based on the reduced Project Participation Principal Amount, and the OWDA shall notify the Borrower in writing of the reduced amount of the remaining Semi-Annual Payments.

Section 4.5. The Borrower agrees to provide financing for all non-Eligible Project Costs. As a preliminary indication of that commitment, the Borrower has provided evidence that financing is readily available for all non-Eligible Project Costs which will be or may be incurred by the Borrower in connection with construction of the Project Facilities.

Section 4.6. The Borrower agrees that, in the event the Borrower or its contractors receives WPCLF moneys in excess of the Eligible Project Costs, the Borrower shall repay said excess moneys to the WPCLF at the time of the first Semi-Annual Payment, or as otherwise agreed to by the Borrower and the State.

Section 4.7. In order to enable the State to comply with the requirements of federal securities laws (including, without limitation, Rule 10b-5 and Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended), the Borrower agrees to prepare and file with the State or, at the direction of the State, to file with the Municipal Securities Rulemaking Board ("MSRB"), any one or more nationally recognized municipal securities information repositories ("NRMSIRs") or state information depository ("SID"), any annual financial information or material events disclosures that the State may determine it requires to achieve such compliance. The Borrower consents to the State's incorporation by reference into State official statements or other State filings with the MSRB, any NRMSIR, or any SID of any official statements or portions thereof, financial statements, or other documents that the

Borrower may have filed or may file with the MSRB, any NRMSIR, or any SID. In the event the Borrower fails to prepare any financial statement or other financial information that this Section requires the Borrower to prepare and file with or at the direction of the State, then the State shall have the right (in addition to any other rights it may have to enforce the obligations of the Borrower hereunder) to inspect all records, accounts and data of the System and cause the preparation of the required financial statement or information and to employ such professionals as it may reasonably require for that purpose, and to be reimbursed from any available Pledged Revenues for the costs of its doing so. This Section shall not be construed to limit the generality of Section 4.3 hereof.

ARTICLE V - MAINTENANCE, OPERATION, INSURANCE AND CONDEMNATION

Section 5.1. The Borrower agrees that during the Contract Period of Years it will:

(a) Operate the Project Facilities in compliance with all applicable federal, state and local environmental laws and regulations in effect during such period, and

(b) Keep the Project Facilities including all appurtenances thereto and the equipment and machinery therein in good repair and good operating condition at its own cost so that the completed Project Facilities will continue to operate with substantially the same efficiency as when first constructed.

The Borrower shall have the privilege of making additions, modifications and improvements to, making deletions from and discontinuing the use or operation of all or any part of, the Project Site and the Project Facilities from time to time; provided, that the cost of any additions, modifications and improvements shall be paid by the Borrower, and the same shall be the property of the Borrower and be included under the terms of this Agreement as part of the Project Site or the Project Facilities, as the case may be; and provided further that the Borrower shall make no modification to, make any deletion from or discontinue the use or operation of all or any part of, the Project Site or the Project Facilities, the result of which would be a material decrease in the Pledged Revenues without first obtaining the written consent of the State thereto.

Section 5.2. The Borrower agrees that it will initiate operation of the Project Facilities in accordance with the Project Schedule, as amended, and will not discontinue operation of the Project Facilities without the approval of the Director. The Borrower agrees that it will provide adequate operation and maintenance of the Project Facilities to comply with all applicable rules and regulations of the Director. The Borrower agrees that, in accordance with its NPDES permit and the Operation and Maintenance Program sufficient qualified operating personnel certified by the State of Ohio will be retained by the Borrower to operate the Project Facilities, and all operational tests and measurements necessary to determine compliance with the preceding sentence will be performed to insure proper and efficient operation and maintenance of the Project Facilities from the time of Initiation of Operation until the end of the Contract Period of Years or the approval of the discontinuance of the operation of the Project Facilities by the Director. The Project Facilities shall be operated and maintained in accordance with the sewer use ordinance or resolution governing the use of the Project Facilities and any administrative regulations adopted pursuant thereto acceptable to the Director as appropriate.

The Borrower will permit the State or its designated representatives to have access to the records of the Borrower pertaining to the operation and maintenance of the Project Facilities at any reasonable time following completion of construction of the Project Facilities.

Section 5.3. The Borrower agrees to insure, or cause to be insured, the Project Facilities in such amounts as similar properties are usually insured by political subdivisions similarly situated, against loss or

damage of the kinds usually insured against by political subdivisions similarly situated, by means of policies issued by reputable insurance companies duly qualified to do such business in the State of Ohio.

Section 5.4. The Borrower agrees that it will provide through self-insurance or obtain public liability insurance with reference to the Project Facilities in minimum amounts of $500,000 for the death of or personal injury to one person and $1,000,000 for personal injury or death for each occurrence in connection with the Project Facilities and $500,000 for property damage for any occurrence in connection with the Project Facilities. The Director and the OWDA, on behalf of the WPCLF shall be made an additional insured under such policies.

Section 5.5. Throughout the Contract Period of Years, the Borrower shall maintain Worker's Compensation Coverage or cause the same to be maintained.

Section 5.6. Any insurance policy issued pursuant to Section 5.4. hereof shall be so written or endorsed as to make losses, if any, payable to the State on behalf of the WPCLF, and the Borrower as their respective interests may appear. Each insurance policy provided for in Sections 5.3. and 5.4. hereof shall contain a provision to the effect that the insurance company shall not cancel the same without first giving written notice thereof to the State and the Borrower at least ten days in advance of such cancellation. The Borrower shall deliver certificates of insurance evidencing the coverage required herein to the State.

Section 5.7. The net proceeds of the insurance carried pursuant to the provisions of Sections 5.3. and 5.4. hereof shall be applied as follows:

(a) The net proceeds of the insurance required in Section 5.3. hereof shall be applied as provided in Section 5.9. hereof, and

(b) The net proceeds of the insurance required in Section 5.4. hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid.

Section 5.8. In the event the Borrower shall fail to maintain the full insurance coverage required by this Agreement or shall fail to keep the Project Facilities in good repair and operating condition, or shall fail to operate the Project Facilities in accordance with Section 5.2. hereof, the OWDA may (but shall be under no obligation to) take out the required policies of insurance and pay the premiums of the same or may make such repairs or replacements as are necessary or may hire the necessary operating personnel to insure compliance with Section 5.2. and provide for payment thereof; and all amounts so advanced therefor by the OWDA shall become a separate obligation, apart from this Agreement, of the Borrower to the OWDA, which amounts, together with interest thereon at a rate equal to three percent (3%) above the Contract Interest Rate from the date thereof, the Borrower agrees to pay.

Section 5.9. If prior to the completion of the Contract Period of Years the Project Facilities shall be damaged or partially or totally destroyed by fire, flood, windstorm or other casualty, there shall be no abatement or reduction in the amounts payable by the Borrower pursuant to Section 4.1. hereof, and the Borrower will:

(a) Promptly repair, rebuild or restore the property damaged or destroyed, and

(b) Apply for such purpose so much as may be necessary of any net proceeds of insurance policies resulting from claims for such losses as well as any additional moneys of the Borrower necessary therefor. All net proceeds of insurance resulting from claims for such losses shall be paid to the Borrower.

Section 5.10. In the event that title to or the temporary use of the Project Site or Project Facilities, or any part thereof, shall be taken by any person, firm, or corporation acting under governmental authority, there shall be no abatement or reduction on the amounts payable by the Borrower pursuant to Section 5.1. hereof, and any net proceeds received from any award made in such eminent domain proceedings shall be paid to and held by the Borrower in a separate condemnation award account and shall be applied by the Borrower in either or both of the following ways as shall be determined by the Borrower:

(a) The restoration of the improvements located on the Project Site to substantially the same condition as they existed prior to the exercise of said power of eminent domain; or

(b) The acquisition of additional real estate, if necessary, and facilities, by construction or otherwise, equivalent to the Project Facilities, which real estate and facilities shall be deemed a part of the Project Site and Project Facilities without the payment of any amounts other than herein provided, to the same extent as if such real estate and facilities were specifically described herein.

Any balance of the net proceeds of the award in such eminent domain proceedings shall be paid to the Borrower upon delivery to the OWDA of a certificate signed by an authorized officer of the Borrower that the Borrower has complied with either paragraph (a) or (b), or both, of this Section 5.10. The OWDA shall cooperate fully with the Borrower in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project Site or Project Facilities of any part thereof. In no event will the Borrower voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project Site or Project Facilities or any part thereof without the written consent of the State.

Section 5.11 This Section 5.11 shall apply if Exhibit 1 hereto indicates that the Contract Interest Rate includes a Water Resource Restoration Sponsor Program (WRRSP) discount.

(a) In accepting the WRRSP discount, the Borrower agrees that to the fullest extent permitted by law it shall assure implementation of the WRRSP Project in accordance with the specific terms and conditions of each of the following as applicable: approved Restoration / Protection Plans, the Finding of No Significant Impact, agreements or other mechanisms to restrict or maintain the identified uses associated with the WRRSP Project, and agreements between the Borrower and an entity responsible for implementing approved Restoration / Protection Plans (hereinafter the "Implementer") which are attached hereto as Exhibit 2 and made a part hereof. The Borrower accepts such performance as an essential element of this Agreement.

(b) Following the award of assistance, the Borrower may request disbursements for completion of a Restoration / Protection Plan and for implementation of an approved Restoration / Protection Plan. All such disbursements will be requested on the "Online Fund Payment Request Form" provided by the Ohio Water Development Authority website. The parties to this Agreement expect that costs directly associated with implementing the Restoration / Protection Plan will be disbursed by the OWDA either to the Borrower, the Implementer, an escrow agent jointly selected by the Borrower and the Implementer, or to contractors supplying materials or performing services in furtherance of this Agreement which have been designated by the Borrower as authorized recipients of such disbursements.

When WRRSP-eligible costs are incurred on behalf of the Implementer, invoices shall first be submitted to the Implementer which shall approve them to be requested for reimbursement by the Borrower and shall certify such invoices as eligible for assistance prior to forwarding them to the Borrower. The Borrower shall

approve and certify all invoices (whether incurred by the Borrower directly or the Implementer) prior to submitting them to the Director with the accompanying disbursement request form. The Director shall review the disbursement request, including accompanying invoices, and if it is approved, shall transmit it to OWDA which then will be responsible for disbursing funds directly, either to the Borrower, escrow agent or to the contractor.

(c) Each interest in property acquired by either the Borrower or the Implementer as part of the WRRSP Project shall be subject to legally enforceable use restrictions which shall run with the property, perpetually limiting the use of the property to natural area uses consistent with the approved Restoration / Protection Plan. All conservation easements acquired either by the Borrower or the Implementer to implement or maintain the WRRSP Project shall be permanent easements and shall limit the uses of the land under easement to natural area uses consistent with the approved Restoration / Protection Plan. Borrower shall submit to the Director copies of documents containing such restrictions within ninety days of acquisition of the property interest.

(d) Borrower's failure to comply with any of the terms of this Section or the terms of any WRRSP-related requirements identified in any of the documents listed above during the time this Agreement is in effect shall be considered a default under this Agreement. If the State provides written notice of such default to the Borrower and the Borrower fails within sixty days of the date of such notice to satisfactorily demonstrate in writing to the Director that the Borrower is taking appropriate actions that will cure the default and will result in compliance with the WRRSP requirements, then from and after the date that is sixty days after the date of such notice the State will increase the Contract Interest Rate to a rate necessary to recover the amount of WRRSP funds disbursed and to eliminate the 0.1% discount for the remainder of the Contract Period of Years, and all subsequent semi-annual payments for the remainder of the Contract Period of Years will be adjusted accordingly. Borrower agrees to submit in a timely manner the amounts required by the revised semi-annual payments for the remainder of the effective period of this Agreement.

The amount that the State recovers through the remedy provided for in this paragraph shall not exceed the total of the WRRSP Project cost financed by the WPCLF and the 0.1% interest discount for the remainder of the Contract Period of Years, and any amount thus recovered by the State shall be credited toward the liquidation of any liability of the Borrower under this Section 5.11.

(e) To the extent that Borrower's failure to comply with WRRSP-related requirements involves a failure on the part of an Implementer to carry out a term or condition of an approved Restoration / Protection Plan for which a remedy exists via a separate enforceable agreement between the Director and the Implementer, the Director shall first attempt to address such non-compliance through the agreement between the Director and the Implementer prior to invoking any remedies under this agreement or otherwise available. If the Director, after exercising its obligation to attempt to address non-compliance through direct action between the Director and the Implementer, provides written notice to the Borrower that noncompliance continues to exist, the Director or the State may undertake any remedies under this agreement or otherwise available.

ARTICLE VI - GENERAL REPRESENTATIONS AND AGREEMENTS; EVENTS OF DEFAULT AND REMEDIES

Section 6.1. The Borrower hereby represents and warrants that:

(a) It is and shall remain in compliance, and shall take whatever actions are necessary to assure compliance during the Contract Period of Years, with all applicable federal, state, and local laws, ordinances, rules, regulations, and provisions of this Agreement, including without limitation the CWA and R.C. Section 6111.036, subject to its rights to contest in good faith the issue of non-compliance, and

(b) There is no litigation or administrative action or proceeding pending or, to the best of its knowledge, threatened against the Borrower, wherein a result adverse to the Borrower could reasonably be expected to have a materially adverse effect on the ability of the Borrower to meet its obligations under this Agreement, and

(c) Except as heretofore disclosed in writing to the State, no judgment or consent order has been rendered against the Borrower, and the Borrower is not a party to any agreement, which imposes, will impose, or has imposed any fines or monetary penalties upon the Borrower for the violation of any federal, state, or local law, ordinance, or regulation, which fines or monetary penalties have not heretofore been paid in full.

Section 6.2. Each of the following shall be an event of default ("Event of Default") under this Agreement:

(a) The Borrower shall fail to make any payment to the OWDA required pursuant to this Agreement when the same is due and payable, including, without limitation, any amount due and payable pursuant to Article III hereof.

(b) The Borrower shall fail to observe and perform any other obligations, agreements, or provisions of this Agreement, which failure shall continue for thirty (30) days after receipt of written notice thereof from the Director or the OWDA; provided, however, that such failure shall not constitute an Event of Default hereunder if the cure of such failure cannot be effected within thirty (30) days and if the Borrower is taking all reasonably necessary actions to cure such failure with all deliberate speed. Notwithstanding the contents of this paragraph, the notice and cure provisions of paragraph 5.11(d) shall apply to the WRRSP Project portions of the assistance in the event of a failure to comply with the terms of WRRSP-related requirements under this Agreement.

(c) Any representations made by the Borrower in Section 6.1 or 7.1 shall at any time during the Contract Period of Years prove to be false.

(d) The Borrower shall fail to observe any of the covenants contained in Article VII herein.

Section 6.3. The Director may terminate, suspend, or require immediate repayment of financial assistance from the Borrower in the event of a default due to failure to make any required payment, or due to any violation of the terms or conditions of this Agreement, or of the documents referred to in Section 3.2.(a), or of the Plan Approval for the Project Facilities under Section 6111.44 of the Ohio Revised Code. The Director may also prescribe corrective action, or direct that corrective action be undertaken, to remedy the event or violation, and the Borrower agrees to perform such corrective action.

Section 6.4. Whenever an Event of Default of payment shall have occurred and be continuing, in addition to any other rights or remedies provided herein, by law or otherwise, the State may:

(a) declare the full amount of the then unpaid Project Participation Principal Amount to be immediately due and payable;

(b) to the extent permitted under any judgment, consent order, or agreement affecting the Borrower, require the Borrower to agree to, and the Borrower hereby agrees to, effect the subordination of the payment of any fine or penalties imposed for the violation of any federal, state, or local environmental law or regulation to the payment of the Eligible Project Costs and the interest due thereon.

Section 6.5. No right or remedy conferred upon the OWDA or the Director under Sections 5.11, 6.3 or 6.4 hereof is intended to be exclusive of any other right or remedy given herein, by law, or otherwise. Each right or remedy shall be cumulative and shall be in addition to every other remedy given herein, by law, or otherwise.

Section 6.6. The Borrower releases the State from, agrees that the State shall not be liable for, and agrees, to the fullest extent permitted by law, to hold the State, its officers, employees and agents harmless against, any loss or damage to property, or any loss or injury to or death of any person, or any other loss or damage, that may be occasioned by any cause whatsoever pertaining to the Project Facilities, or the use thereof; provided that such indemnity under this Section 6.6 shall not be effective for damages that result from negligent or intentional acts of the State, its officers, employees and agents. The Borrower further agrees, to the fullest extent permitted by law, to indemnify and hold harmless the State, its officers, employees and agents against and from any and all cost, liability, expenses and claims arising from any breach or default on the part of the Borrower in the performance of any covenant or agreement on the part of the Borrower to be performed pursuant to the terms of this Agreement, arising from the acquisition, construction, installation, or improvement of the Project Facilities or arising from any act or negligence of or failure to act by the Borrower, or any of its agents, contractors, servants, employees or licensees, or arising from any accident, injury or damage whatsoever caused to any person, firm, or corporation resulting from the Project Facilities (other than any accident, injury, or damage that results from negligent or intentional acts of the State, its officers, employees and agents), and from and against all cost, liability and expenses incurred in or in connection with any such claim or action, arbitration or proceeding brought thereon.

In case any action or proceeding be brought against the State by reason of any claim described in this Section, the State agrees to cause written notice of such action or proceeding to be given to the Borrower, and the Borrower upon notice from the State covenants to resist or defend such action or proceedings at the Borrower's expense including all legal and other expenses (including reasonable attorneys' fees).

ARTICLE VII - MAINTENANCE OF TAX-EXEMPT STATUS OF BONDS / PRIVATE BUSINESS USE RESTRICTIONS

Section 7.1. The Borrower acknowledges that the OWDA may issue tax-exempt bonds to provide the funds to meet the State's obligations with regard to funding the WPCLF and that the maintenance of the tax-exempt status of any such bonds will depend, in part, on the Borrower's compliance with the provisions of this Agreement. Accordingly, the Borrower agrees as follows:

(a) That it shall take no action that would cause bonds issued by the OWDA, the proceeds of which could fund the loan to the borrower (the "OWDA Bonds") to fail to qualify as tax-exempt bonds, nor omit to take any action necessary to maintain such status;

(b) That it shall take any action that the OWDA reasonably may request it to take to maintain the status of the OWDA Bonds as tax-exempt bonds;

(c) That, to assure that the OWDA Bonds will not be or become "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended:

(i) The Borrower shall not permit, at any time ten percent (10%) or more (in the aggregate) of that portion of the Project Facilities to be financed with funds borrowed from the State hereunder (the "State Funds") to be used by any person or persons for any private business use (as hereinafter defined) while at the same time the payment of principal of, or the interest on, the State Funds is directly or indirectly (A) secured by any interest in (1) property used or to be used for a private business use or (2) payments made with respect to such property or (B) derived from (1) payments with respect to such property (whether or not made to the OWDA) or (2) borrowed money used or to be used for private business use.

(ii) No portion of the State Funds will be used to make or finance loans to persons other than other governmental units.

For purposes of this Agreement, "private business use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit (as hereinafter defined). Use of any Project Facility or Project Site as a member of the general public will not be considered a private business use. Any activity carried on by a person other than a natural person shall be treated as a trade or business. Use by an organization which qualifies under Section 501(c)(3) of the Internal Revenue Code of 1986, as it may be amended from time to time, shall be considered a private business use.

For purposes of this Agreement, "governmental unit" means a political subdivision within the United States, including any political subdivision within the State of Ohio, but does not mean the United States or any of its governmental branches, departments or agencies.

If there is any question about the application of the foregoing restrictions relating to private business uses or loans, the Borrower agrees to immediately write the OWDA requesting assistance prior to entering into any agreement which may be prohibited as provided herein.

(iii) The Borrower shall not re-loan, directly or indirectly, any portion of the amounts advanced to it under this Agreement to any person;

(d) That, to assure that the OWDA Bonds will not be or become "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, the Borrower, except upon the prior written consent of the OWDA, shall not create or permit to exist any fund pledged to, or expressly reserved exclusively for, the payment of amounts payable by the Borrower hereunder.

Section 7.2. The OWDA shall not be required to, and shall not, consent to any action by the Borrower referred to in Section 7.1 unless it first shall have received an opinion of nationally recognized bond counsel to the effect that the consummation of the transaction or transactions contemplated by such action will not adversely affect the tax-exempt status of the OWDA bonds.

Section 7.3. If the Borrower shall have any question about the application of Section 7.1., in the particular circumstances faced by it at any time during the term of this Agreement, it shall immediately inform the OWDA of the circumstances and request the OWDA's assistance to resolve any such questions, to the end that the tax-exempt status of the OWDA Bonds and of the OWDA's bonds would be preserved.

ARTICLE VIII - MISCELLANEOUS PROVISIONS

Section 8.1. Any invoice, accounting, demand, or other communication under this Agreement by any party to this Agreement to any other party shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

(a) in the case of the OWDA, is addressed to or delivered personally to the OWDA at:

Ohio Water Development Authority
480 South High Street
Columbus, Ohio 43215
Attn: Executive Director

and,

(b) in the case of the Director, is addressed to or delivered personally to the Director at:

Ohio Environmental Protection Agency
Lazarus Government Center
50 West Town Street, Suite 700
P.O. Box 1049
Columbus, Ohio 43216-1049
Attn: Chief, Division of Environmental and Financial Assistance

and,

(c) in the case of the Borrower, is addressed to or delivered personally to the Borrower at the address listed on Exhibit 1, or at such other addresses with respect to any such party as that party may from time to time, designate in writing and forward to the other parties as provided in this Section.

Section 8.2. Any approval of the State required by this Agreement shall not be unreasonably withheld. Any provision of the Agreement requiring the approval of the State or the satisfaction or evidence of satisfaction of the State shall be interpreted as requiring a response by the Director and the OWDA granting, authorizing, or expressing such approval or satisfaction, as the case may be, unless such provision expressly provides otherwise.

Section 8.3. Upon request of the OWDA, the Borrower agrees to execute the information report required by Section 149 of the Internal Revenue Code of 1986, as it may be amended from time to time, with respect to this Agreement, such form to be completed by the OWDA on the basis of information provided by the Borrower. The Borrower hereby agrees that the OWDA may file such information report for and on behalf of the Borrower with the Internal Revenue Service.

Section 8.4. This Agreement is made subject to, and conditional upon, the approval of this Agreement as to form by the General Counsel of the OWDA and Counsel to the Director and upon the certification of availability of funds as provided in Section 3.8. hereof.

Section 8.5. If any provision of this Agreement or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Agreement which can be given effect without the invalid provision or application, and to this end the provisions of this Agreement are severable. In lieu thereof the parties agree that there shall be added a provision as similar in terms to such illegal, invalid and unenforceable provision as may be possible and be legal, valid and enforceable.

Section 8.6. This Agreement shall become effective as of the "Effective Date" and shall continue in full force and effect until the final day of the Contract Period of Years, based on the Semi-Annual Payment being paid at the rate established in Section 4.1. hereof, or until the day the obligations of the Borrower under this Agreement have been fully satisfied, whichever is later.

Section 8.7. This Agreement shall be binding upon and inure to the benefit of the parties hereto and to any person, office, board, department, agency, municipal corporation, or body politic and corporate succeeding by operation of law to the powers and duties of any of the parties hereto. This Agreement shall not be assigned by the Borrower without the prior written consent of the State. The State, at its option, may assign this Agreement without the consent of the Borrower.

Section 8.8. As its record of this Agreement, the Borrower agrees to receive an electronic copy pursuant to R.C. 1306.06(C).

The remainder of this page is intentionally left blank.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the "Effective Date."

APPROVED AS TO FORM

By _____
Ohio EPA Counsel

Print Name _____

OHIO ENVIRONMENTAL PROTECTION AGENCY

By _____
Craig W. Butler, Director

Date _____

APPROVED AS TO FORM

By _____
General Counsel

Print Name _____

OHIO WATER DEVELOPMENT AUTHORITY

By _____
Steven J. Grossman, Executive Director

Date _____

APPROVED AS TO FORM

By _____
Borrower's Counsel

Print Name MARK LANDES

BORROWER

By _____
Authorized Representative

Print Name _____

Title _____

Date _____

Water Pollution Control Loan Fund

Exhibit 1

Project Name: Effluent Sewer and Force Main Project
Borrower: Ashville
Loan Number: CS390122-0011
Address: 200 East Station Street
City & State: Ashville, OH
Zip Code: 43103
Borrower's Authorized Representative: Franklin Christman
Phone: (740) 983-6367

Project Description

Phase 2 of the Water Resource Recovery Facility project. This phase will construct a 24" effluent sewer and a 10" force main.

Cost Data

Activities	Eligible	OPWC	Total Project Cost
Construction			
Fields Excavating - Village of Ashville WWTP and Forcemain Part B	$989,605.15	$500,000.00	$1,489,605.15
Other Costs			
Contingency	$74,480.26		$74,480.26
Total Estimated Cost	$1,064,085.41	$500,000.00	$1,564,085.41

WPCLF Loan Information

Interest Rate:	1.14%	Principal Amount:	$1,064,085.41
Term in Years:	30.0	Interest:	$195,310.39
Number of Payments:	60	Total Cost of Borrowing:	$1,259,395.80
Participation Rate:	0.0197258	Payment:	$20,989.93

Project Schedule

Application Date:	10/28/2016	Initiation of Operation:	01/01/2018
Resolution Date:	02/16/2015	Date of Initial Payment:	01/01/2019
Performance Certification:	01/01/2019		

Pledged Revenues

Section 603(d)(1)(C) of the Clean Water Act requires one or more dedicated sources of revenue for repayment of the loan. The following information specifies those sources

Revenue Source	
Special Assessments	
General Taxes	
Wastewater Service Charge	$1,259,395.80
Other:	
Total	$1,259,395.80

To the best of my knowledge and belief, the information contained on this exhibit represents the actual project costs being requested from the WPCLF. I hereby acknowledge that the non-eligible and not funded costs identified above, if any, will be provided from sources other than the WPCLF as to allow the project to be fully implemented.

Franklin Christman

Date