

Builder's Extension Agreement

Extension:

ATTACHMENT PACKAGE

ATTACHMENTS FOR BUILDER'S EXTENSION AGREEMENT

Submit the following to Aqua Pennsylvania, Inc.:

- a. Applications for Domestic Service and Fire Service (if applicable)
- b. Description and Plan of Extension Project - see Attachment B
- c. Preliminary Cost for Extension Project - see Attachment C
- d. Commitment and Release from Contractor - see attachment D
- e. Builder's Assignment of Contractor's Warranty - see Attachment E
- f. Easements and copies of owner's underlying deeds - see Attachment F
- g. Permits and regulatory approvals - see Attachment G
- h. Administrative Fee - see Attachment H - in the amount of \$
- i. Value Added Fee - see Attachment I - in the amount of \$
- j. Performance Bond or Letter of Credit - see Attachment J
in the amount of \$
- k. Certificates of insurance from Builder and Contractor - see Attachment K
- l. Copy of bond Builder furnishes to township or municipality (or other
satisfactory evidence of adequate financing)
- m. Final, sealed, reproducible plans
- n. Further assurances of Builder's obligations (if requested)
- o. Builder's Extension Agreement executed by Builder

Aqua Pennsylvania, Inc. ("Aqua") will review the submissions, and, if complete and satisfactory, will sign the Builder's Extension Agreement and schedule a pre-construction meeting with the Builder and the Contractor. Upon the execution of the Builder's Extension Agreement, the Attachments will be incorporated into, and made part of, the Agreement and will be binding upon Aqua, Builder and Contractor.

Attachment A-1 (Domestic)

Enclosed is the form “Application for Domestic Water Service Line”, (Form D-143), which is to be completed and returned along with the Contract Documents for your project to our New Business Office.

Please make certain to include a list of street addresses and lot numbers with the application. Aqua reserves the right to delay the water main installation until your application(s) for service has been received.

Please allow 10-15 working days for processing your application, at which time you will be notified, by mail of our approval for service for your project.

Should you have any questions or desire additional information regarding the service application(s), please contact Deanna Ciotti in our Springfield office. Ms. Ciotti can be reached at (610) 541-4160.

ALL SERVICE CONNECTIONS WILL REQUIRE A METER PIT. METER PITS MUST BE INSTALLED AT A LOCATION APPROVED BY AQUA’S NEW SERVICE REPRESENTATIVE. NO METERS WILL BE INSTALLED WITHIN ANY BUILDING OR STRUCTURE.

Attachment A-2 (Fire)

Dear Applicant:

Enclosed is the form “Application for Fire Water Service Line or “Application for Combination Domestic and Fire Water Service Line”, (Forms D-144 & D-157), **which is to be completed and must include one complete set of P.E. or NICET (Level III or IV) approved sprinkler drawings. The applications and sprinkler drawings must be returned with the Contract Documents for your project to our New Business Office:**

Aqua Pennsylvania, Inc.
Meter Operations Center – 2nd Floor
700 West Sproul Road
Springfield, PA 19064

Please make certain to include a list of street addresses and lot numbers with the application. Aqua reserves the right to delay the water main installation until your application(s) for service has been received.

Please allow 10-15 working days for processing your application, at which time you will be notified, by mail of our approval for service for your project.

Should you have any questions or desire additional information regarding the service application(s), please contact Deanna Ciotti in our Springfield office. Ms. Ciotti can be reached at (610) 541-4160.

ALL SERVICE CONNECTIONS WILL REQUIRE A METER PIT. METER PITS MUST BE INSTALLED AT A LOCATION APPROVED BY AQUA’S NEW SERVICE REPRESENTATIVE. NO METERS WILL BE INSTALLED WITHIN ANY BUILDING OR STRUCTURE.

Attachment B

Description and Plan of Extension Project

Project Description:

See Plan Number:

Sample Only

Attachment C

Preliminary Cost Estimate for Extension Project

Summary of Builder's Costs:

a. Construction Cost to Builder:

Material: \$ _____.
Installation: \$ _____.
Restoration: \$ _____.

Builder's Construction Sub-total: \$ _____.

b. Aqua Administration Fee \$ _____.

c. Aqua Value-added Fee \$ _____.

Administrative / Value Added Sub-total: \$ _____.

d. Total Project Cost to Builder: \$ _____.

Sample Only

Attachment D

Form of Commitment and Release from Contractor

The attached form is to be submitted on Contractor's letterhead, signed by an authorized representative of Contractor.

Sample Only

Date: _____

Aqua Pennsylvania, Inc.
Attention: New Business Representative
762 Lancaster Avenue
Bryn Mawr, PA 19010

Dear Aqua Pennsylvania, Inc.:

In connection with, and consideration for, the agreement between _____ (the "Contractor") and _____ (the "Builder") for the construction and installation of a water main and related appurtenances at _____ the "Extension Project"), Contractor acknowledges that Developer has agreed, or will agree, to contribute the completed Project, or portions of the Project as they become completed, to Aqua Pennsylvania, Inc. ("Aqua") pursuant to a Builder's Extension Agreement, and Contractor agrees that Aqua is an intended third party beneficiary of the agreement between the Contractor and Builder (the "Construction Contract"). In addition, Contractor specifically understands and agrees as follows:

1. Contractor has received a copy of, and has read, the Builder's Extension Agreement ("Extension Agreement"). Contractor will be liable with Builder on a joint and severable basis to Aqua for failure to perform the construction and safety aspects of the Extension Project in compliance with the Builder's Extension Agreement.
2. Builder has agreed to assign to Aqua the warranty from the Contractor covering work and materials for the Extension Project made pursuant to the Construction Contract, which is hereby declared to be transferable, and Aqua is the intended third-party beneficiary of such transferable warranty.
3. Contractor is familiar with the requirements and specifications related to work and materials set forth in the Extension Agreement, and all applicable laws, regulations and ordinances, including but not limited to OSHA standards and rules and regulations relating to the installation of water mains and related appurtenances (collectively, the "Requirements"). Contractor will comply with the Requirements and will adequately train its employees and contractors to comply with the Requirements. Contractor will be the employer in control of the safety aspects of the work on the Extension Project. Under no circumstances shall Aqua be deemed to be responsible for the methods of construction or the safety precautions and procedures at the worksite, whether or not an Aqua representative is on site.
4. Contractor agrees to obtain insurance and supply a certificate of insurance to Aqua as set forth in Attachment K to the Extension Agreement on the same terms as the certificate required of Builder.
5. Contractor hereby waives all rights, on behalf of itself, its subcontractors and agents, to file any liens and claims for payment it or any of them may now or hereafter have against the Extension Project and agrees to execute any additional documents as may be required from time to time to effectuate such waiver.

6. Contractor shall release, indemnify, protect, defend, and save harmless Aqua, and all of its directors, officers, employees and agents, (hereinafter sometimes referred to as “indemnified parties”) from and against any and all claims, demands, actions, liabilities, losses, damages, penalties, costs and expenses (including reasonable attorneys’ fees and costs of investigation) that may be asserted against or incurred by any of such indemnified parties resulting from, arising out of or related to the Project, whether or not caused in whole or in part by the active or passive, sole, concurring, or contributory negligence of a party indemnified hereunder, including, without limitation, claims or liabilities arising out of or related to any and all damage or injury to any person (including loss of life), including any injury or injuries or loss of life to the employees of the Builder or Contractor or any other worker, or any property of any persons, corporations or other associations (including Aqua, Developer, Contractor and each of their directors, officers, employees and agents).

It is the intent of this provision to absolve, protect and defend Aqua and its directors, officers, employees and agents from any and all claims, demands, actions, liability, losses, damages, penalties and expenses (including reasonable attorneys’ fees and cost of investigation) arising out of or related to the Project. This indemnity shall be liberally construed in favor of indemnification, in recognition that the Builder and the Contractor are in control of their employees and agents on the work site and all aspects of safety, and the means and methods of construction.

In furtherance of this indemnification, Contractor must promptly report, in writing, to Aqua all accidents whatsoever arising out of, or in connection with, the performance of the work, whether on or adjacent to the work site, which caused death, personal injury, or property damages, giving full details and statements of witnesses. In addition, if death, serious personal injury or serious property damage occurs, Contractor will immediately report by telephone or messenger, or both, to Aqua.

An indemnified party shall have the right to approve counsel appointed on its behalf pursuant to this indemnification, and shall be entitled to receive expenses from Contractor pursuant to this indemnification beginning upon receipt by indemnified person of notice of any claim. An indemnified party shall be entitled to costs and expenses from Contractor regardless of the nature of the claim or claims asserted or the dismissal, resolution, settlement or discharge of any claim.

Indemnification pursuant to this Section shall include, without limitation, indemnification for action of any kind whatsoever, whether direct or indirect, by the United States Environmental Protection Agency (“EPA”) or Pennsylvania Department of Environmental Protection (“DEP”) related to the Project.

The individual provisions of this indemnification are deemed to be severable, and the invalidity or unenforceability of any portion of this indemnification shall not affect or impair such portion to the extent it has been deemed valid and enforceable, nor the remaining provisions of this indemnification, which shall continue in full force and effect.

Name and title of Contractor’s authorized representative:

Attachment E

**FORM OF
BUILDER'S ASSIGNMENT
OF CONTRACTOR'S WARRANTY**

Sample Only

BUILDER'S ASSIGNMENT
OF CONTRACTOR'S WARRANTY

Pursuant to and in consideration of the Builder's Extension Agreement between the undersigned and Aqua Pennsylvania, Inc. ("Aqua"), in connection with the installation of a water main and certain appurtenances for the _____ ("Extension Project"), the undersigned _____ ("Builder") hereby assigns to Aqua all of its right, title and interest in and to the warranty of _____ ("Contractor") for the Extension Project, as set forth in sections of the Construction Contract between the undersigned and Contractor in connection with the Extension Project, which is attached hereto ("Contract").

This Assignment shall be effective upon Contribution of the Extension Project to Aqua by the undersigned. If the Contribution of the Extension Project occurs in parts, this Assignment shall be effective with respect to each partial Contribution of the Extension Project at the time Contribution occurs for that part of the Extension Project.

The undersigned will not to amend the warranty provisions of the Contract without the prior written consent of Aqua.

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be duly executed, the day and year first above written.

WITNESS/ATTEST:

BUILDER: _____

By: _____

Attachment F

Easements

Prior to beginning work on the Extension Project, the Builder will provide Aqua with easement rights, by means of a grant(s) of Easement in the following form, for all areas (excepting existing public rights-of-way where proper occupancy rights have been obtained for the Extension Project) in which the water main extension or any other part of the Extension Project will be installed. Along with the Easement(s), Builder must submit copies of the underlying deeds of the property owners. If Builder is not the owner of all of the property through which the Extension Project will pass, Builder will also need to obtain easement(s) from the owner(s) of the property to allow it access to install the Extension Project.

Notes for preparing easement documents:

- Current property owner must execute the easement. Parcel number, deed date, recording date, etc. should be provided from the deed of the current owner.
- If the County has assigned parcel / folio / UPI numbers to any or all of the proposed lots, you must prepare a separate attachment listing all of these “parcel” numbers.
- **Chester County** requires a street address. This can be the original street address prior to subdivision.
- Type name under each Grantor signature and witness signature.

Prepared by: Aqua Pennsylvania, New Business Office
762 W. Lancaster Avenue
Bryn Mawr, PA 19010
610.525.1400

Return to: "same as above"

Property address: _____, UPI No. _____

GRANT OF EASEMENT

KNOW ALL MEN BY THESE PRESENTS that _____, hereinafter called "GRANTOR," being owner(s) of certain lands and property situate in _____ Township, _____ County, Pennsylvania, and specifically described in Deed dated _____, in Deed Book _____, Page No. _____, Property address: _____, UPI No. _____, in the Office for the Recording of Deeds in and for said County at _____, Pennsylvania, for good and other valuable consideration and intending to be legally bound hereby, does grant, bargain, sell and convey to **AQUA PENNSYLVANIA, INC. ("AQUA")**, a Pennsylvania corporation with its principal offices at 762 Lancaster Avenue, Bryn Mawr, Pennsylvania 19010, its successors and assigns, the Easement and right-of-way (hereinafter called "Easement") at any and all times hereafter to operate, lay, relay, install, inspect, repair, alter, remove, renew and replace through, across and under said lands and property of GRANTOR(s) a water main and appurtenances.

The Easement granted herein to consist of a strip of land twenty and no one-hundredths (20.00) feet wide. Said Easement is to be perpetual for the entire 20-foot width, and exclusive for a ten and no one-hundredths (10.00) foot width centered about the water main and its appurtenances. The perpetual Easement is centered over the water main and its appurtenances. The Easement rights granted herein shall include an additional ten and no one-hundredths (10.00) feet of width of temporary Easement on all sides of said Easement during the initial installation to facilitate the moving and storing of necessary materials and equipment.

Additional perpetual Easement is herewith granted for each water service line that is or will be connected to the water main. Each water service line Easement shall have a width of ten and no one-hundredths (10.00) feet and extend in length from the appropriate sideline of the Easement accommodating the said water main to a point five and no one-hundredths (5.00) feet beyond the shutoff valve (curb stop) for each water service line.

Said 20-foot wide perpetual Easement is shown on **AQUA** Plan _____.

TOGETHER with the rights of ingress, egress and regress to and from said Easement, water main, appurtenances, and water service lines, at any and all times for the purpose of laying, relaying, installing, operating, inspecting, maintaining, repairing, altering, removing, renewing and replacing said water main, water service lines and appurtenances, together with the right to move in and use such equipment and materials as may be required to accomplish the foregoing, subject to the obligation of said **AQUA**, its successors and assigns, after laying said water main, water service lines and appurtenances, and after any subsequent maintenance, repair, alteration, removal or

replacement thereof by it or them to restore the surface of the ground disturbed as nearly as practicable to its contour and condition prior to such disturbance thereof.

RESERVING, however, to GRANTOR(s) the right to use the ground over said perpetual Easement for egress and regress, provided such use shall not obstruct the rights herein granted, and, more specifically, GRANTOR(s) agree(s) not to erect any building, structure, trees or shrubs on the perpetual Easement or to change the grade of the ground over the water main, water service lines and appurtenances.

TO HAVE AND TO HOLD all and singular the rights, liberties, privileges, and Easement rights above described with the appurtenances, unto said **AQUA**, its successors and assigns forever.

This Grant and all of the covenants herein contained shall inure to the benefit of and shall be binding upon GRANTOR(s), its (their) successors and assigns, and the **AQUA**, its successors and assigns.

GRANTOR(s) understand(s) and acknowledge(s) that the persons securing this Grant are without authority to make any agreement in regard to the subject matter hereof which is not expressed herein and that no such agreement will be binding on said **AQUA**, its successors or assigns.

IN WITNESS WHEREOF this instrument is signed and sealed this ___ day of _____, 2023.

GRANTOR (Corporation or LLC)

BY: _____
Print Name:
Title:

GRANTOR (Limited Partnership)

By: (Add name of General Partner) its General Partner

BY: _____
Print Name:
Title:

AQUA PENNSYLVANIA, INC.

BY: _____
Joseph G. Thurwanger
Vice President of Planning and Engineering

Commonwealth of Pennsylvania :
: SS

County of :

On this _____ day of _____ 2023, before me, a Notary Public in and for the State and County aforesaid, personally appeared _____ and acknowledged himself/herself/themselves as owner(s) of said property and therefore executed the foregoing instrument for the purposes therein contained by signing his/her/their name

IN WITNESS WHEREOF, I hereunto set my hand and Official Seal.

NOTARY PUBLIC

(NOTARIAL SEAL)

MY COMMISSION EXPIRES

Commonwealth of Pennsylvania :

: SS

County of :

On this _____ day of _____, 2023, before me, a Notary Public in and for the State and County aforesaid, personally appeared _____ who acknowledged himself / herself to be the _____ of _____, a Pennsylvania Corporation, and that as such executed the foregoing instrument for the purposes therein contained by signing the name of the said _____ by himself / herself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and Official Seal.

NOTARY PUBLIC

(NOTARIAL SEAL)

MY COMMISSION EXPIRES

Commonwealth of Pennsylvania :
: SS

County of :

On this _____ day of _____ 2023, before me, a Notary Public in and for the State and County aforesaid, personally appeared _____ who acknowledged himself / herself to be _____ of _____, a Pennsylvania limited liability company and that as such executed the foregoing instrument for the purposes therein contained by signing the name of the said _____ by himself / herself as _____.

IN WITNESS WHEREOF, I hereunto set my hand and Official Seal.

NOTARY PUBLIC

(NOTARIAL SEAL)

MY COMMISSION EXPIRES

Commonwealth of Pennsylvania :

: SS

County of :

On this _____ day of _____ 2023, before me, a Notary Public in and for the State and County aforesaid, personally appeared _____ who acknowledged to be _____ of _____, General Partner of _____, a Pennsylvania limited partnership and that as such executed the foregoing instrument for the purposes therein contained by signing the name of the said _____ by himself as _____.

IN WITNESS WHEREOF, I hereunto set my hand and Official Seal.

NOTARY PUBLIC

(NOTARIAL SEAL)

MY COMMISSION EXPIRES

Commonwealth of Pennsylvania :

: SS

County of :

On this _____ day of _____, 2023, before me, a Notary Public in and for the State and County aforesaid personally appeared _____ who acknowledged himself to be the Vice President of Planning and Engineering of AQUA PENNSYLVANIA, INC., and that as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained by signing the name of the said Company by himself as Vice President of Planning and Engineering.

IN WITNESS WHEREOF, I hereunto set my hand and Official Seal.

NOTARY PUBLIC

(NOTARIAL SEAL)

MY COMMISSION EXPIRES

Attachment G

Permits and Regulatory Approvals

With the exception of certain road opening permits that may need to be issued in the name of Aqua, the Builder will obtain all permits, licenses, consents and government approvals (including, but not limited to, environmental protection and wetland encroachment permits) required for the Extension Project. Builder will pay the fees and expenses required to obtain all permits and approvals, including reimbursement of Aqua, for permits obtained by Aqua. The Builder is responsible for compliance with the terms of the permits and regulatory approvals. The Builder shall install all fire hydrants on the Extension Project in accordance with the Township's requirements for placement and flow and the fire hydrants shall be billed by Aqua as either public (to the municipality) or private (to the Builder or Homeowner's Association) as directed by the Township on the attached Fire Hydrant approval letter.

Sample Only

Attachment H

Administrative Fee and Administrative Services

Administrative Fee

The Builder is obligated to pay to Aqua Pennsylvania, Inc. an Administrative Fee. The Administrative Fee is calculated in the following manner, which is based on Aqua Pennsylvania Inc.'s average cost experience: (a) One Thousand Two Hundred and Fifty Dollars (\$1,250.00), plus (b) Four Dollars and Forty Five Cents (\$4.45) multiplied by the planned number of feet of water main in the Extension Project. Builder is not entitled to a refund if actual footage is less than planned footage. Aqua Pennsylvania, Inc. reserves the right to charge Builder for additional footage if actual footage is significantly more than planned footage

Administrative Services

In exchange for the Administrative Fee, Aqua will, prior to commencement of construction and, if needed, after commencement of construction during the term of this Agreement, prepare and/or review this Agreement and related documents, review and approve Builder's proposed plans for the limited purpose of determining suitability of the Extension Project for addition to Aqua's water system, administer the terms of the Agreement, and review other documents to be submitted, furnished or delivered to Aqua pursuant to this Agreement (collectively, the "Administrative Services"). Aqua Pennsylvania Inc.'s performance of the Administrative Services does not alter the relative responsibilities, liabilities and indemnification of and by the parties as set forth in this Agreement.

Attachment I

Value Added Fee and Value Added Services

Value Added Fee

(a) The Builder is obligated to pay to Aqua a fee calculated in the following manner, which is based on Aqua Pennsylvania Inc.'s average cost experience, determined by the planned number of feet of water main in the Extension Project:

(i) Four Thousand and Eight Hundred Dollars (\$4,800.00) for projects equal to or less than four hundred (400) feet, or for the first four hundred (400) feet for projects in excess of four hundred (400) feet, plus

(ii) Four Dollars and Twenty-Five Cents (\$4.25) per foot for each of the next six hundred (600) feet, plus

(iii) Two Dollars and Seventy-Five Cents (\$2.75) per foot for each foot in excess of one thousand (1,000) feet, plus

(iv) The actual cost to Aqua of providing Value Added Services for unusual or extraordinary site conditions, and for overtime costs for Aqua personnel outside of normal business hours due to Builder's schedule, as set forth in subsection (b).

Builder is not entitled to a refund if actual footage is less than planned footage. Aqua reserves the right to charge Builder for additional footage if actual footage is significantly more than planned footage.

(b) The Value Added Fee footage charges set forth in subsection (a)(i) through (iii) above are based upon the range of usual and ordinary site conditions for the installation of water mains. If Aqua encounters or it becomes apparent that it will encounter, unusual or extraordinary conditions for provision of Value-Added Services to the Extension Project, Builder will pay to Aqua, as provided for in subsection (a) (iv), the actual cost to Aqua of the different or additional Value Added Services required because of the unusual or extraordinary conditions. Aqua will notify Builder of the requirement for, and the amount of, the Value Added Fee which is based on unusual or extraordinary site conditions. In addition, Builder will pay the overtime costs for Aqua personnel outside of normal business hours due to Builder's schedule. After receiving notice of the amount of the Value Added Fee which is required because of unusual or extraordinary conditions or overtime costs, Builder will pay such amount to Aqua prior to beginning or continuing work on the Extension Project.

Value Added Services

In exchange for the Value Added Fee, Aqua will provide to Builder for the Extension Project the following value added services ("Value Added Services"). Value Added Services include materials used unless otherwise specified. Value Added Services, and all aspects of connections to pre-existing facilities related to the Extension Project, are part of the Extension Project and subject to the terms and conditions of this Builder's Extension Agreement in all

respects, including coverage of indemnification and insurance provisions.

(a) Examination and Testing. Upon completion of the Extension Project or any portion prior to Contribution, and at its discretion from time to time during construction, Aqua will schedule a representative to examine and test Builder's work on the Extension Project. The parties will cooperate in coordinating the efforts of the Contractor and the Aqua representative. Examination and testing by the Aqua representative is for the limited purpose of determining suitability of the Extension Project for addition to Aqua's water system and accuracy of the As Built Information, and may include random test holes and other tests and procedures. The Aqua representative has no responsibility or authority to assist, direct, supervise or stop the work of employees or contractors of the Builder or the Contractor, and will not serve or perform the function of an OSHA-competent or other safety person at the construction site. Neither these Value Added Services nor the presence or actions of the Aqua representative at the site of the Extension Project will alter the relative responsibilities, liabilities and indemnification of the parties as set forth in this Agreement. Examination and testing does not constitute acceptance by Aqua. Examination and testing by Aqua or failure of Aqua to disapprove work or materials will not relieve Builder or Contractor from its obligations, including warranty and indemnification provisions, under this Agreement.

(b) Chlorination Treatment. Following completion of the work on the Extension Project, or at such intervals during construction as Aqua may reasonably request, Aqua will perform chlorination treatment of the water mains. If it becomes necessary to place hydrochlorite in a length of pipe, Aqua will furnish the hydrochlorite and Builder will insert it in accordance with Aqua's standard instructions.

(c) Cathodic Protection Specifications. If corrosion control is required as a result of pipeline crossings, soil conditions or for any other reason, in order to construct the Extension Project in a manner which is suitable for addition to Aqua's water system, Aqua will supply specifications for cathodic protection. Builder has sole responsibility for supplying the materials and completing the work to implement cathodic protection.

(d) Hydrostatic and Leakage Test. For the hydrostatic and leakage test to be performed by Builder in accordance with the General Conditions, Aqua will approve the test pressure prior to testing and fill all pipelines, with the assistance of Builder.

(e) Connection to Distribution System. Aqua will make the connection between the Builder's Extension Project and the Aqua distribution facility. Following the Contribution of the Extension Project or portion of the Extension Project, or at an earlier time mutually agreed to by the parties, Aqua will have the right to connect to the water main constructed as the Extension Project under this Agreement for the purpose of providing water service or additions and extensions to Aqua's system. No other connections will take place prior to Contribution of the final portion of the Extension Project without prior written approval of Aqua. For taps of four (4) inches or larger, Aqua will supply and install the tap sleeve and valve, conduct the pressure test and complete the tap operation. For smaller service connections, Aqua will make the service tap and install the corporation stop. Builder will be responsible for supplying all other materials and performing all other construction activities and services for connection, including without limitation excavation and lowering and raising materials and tap machines in the excavation.

(f) Connection to Pre-Existing Facilities. As part of the Extension Project, Aqua may approve connection to existing main lines, other facilities of Aqua or fire hydrants which are located on, adjacent to or near the Development. Connections to pre-existing facilities may be for the purposes of providing temporary water service for construction or fire service and/or for permanent incorporation into the water main, service lines or fire hydrant facilities and systems for the Development. Builder will indicate clearly on the plans for the Extension Project (which are submitted to Aqua prior to commencement of construction) all proposed or existing connections to pre-existing facilities. Builder must submit to Aqua, in writing, all requests for proposed connections to pre-existing facilities which arise after commencement of construction. All taps to pre-existing facilities will be performed by Aqua. Connections to pre-existing facilities which are not indicated on the plans for the Extension Project submitted to Aqua prior to commencement of construction are not included in the Value Added Fee, and Builder will pay Aqua its standard fee for such connection services in advance. For taps of four (4) inches or larger, Aqua will supply and install the tap sleeve and valve, conduct the pressure test and complete the tap operation. For smaller service connections, Aqua will make the service tap and install the corporation stop. Builder will be responsible for supplying all other materials and performing all other construction activities and services for connection to pre-existing facilities, including without limitation excavation and lowering and raising materials and tap machines in the excavation. Builder will complete required service applications, and will pay Aqua in accordance with Aqua's tariff, for water service supplied to the Extension Project during construction and prior to Contribution through connections to pre-existing facilities. For fire hydrants to be added to existing mains, Aqua will supply and install the tap sleeve and valve and complete the tap operation, and Builder will install the hydrant lead and the hydrant.

Attachment J

Performance Bond / Letter of Credit

The Builder will furnish to Aqua a Performance Bond in the attached form or an Irrevocable Letter of Credit from a commercial bank or other lending institution acceptable to Aqua for the purpose of securing the performance of Builder under this Agreement, including without limitation the completion of the final cost certification, payments by Builder and the performance of Builder's warranty. The Performance Bond shall be issued by a corporate surety which is licensed to conduct business in Pennsylvania and otherwise satisfactory to Aqua

The term of the Performance Bond or Letter of Credit will begin on the effective date of this Agreement and continue through the term of the Agreement and for a period of one (1) year following Contribution of the final portion of the Extension Project. The Performance Bond will provide for payment to Aqua of an amount equal to not less than one hundred percent (100%) of the total Construction Cost to Builder as shown on Attachment C.

Upon the date which is one month after the effective date of the Contribution of the final portion of the Extension Project, and provided Builder is not in breach of any of the terms of this Agreement, Aqua will release the Performance Bond or Letter or Credit with respect to that amount remaining undrawn which is greater than twenty percent (20%) of the final Construction Cost To Builder certified for the Extension Project (or, if final costs have not been determined at Contribution, the estimated Construction Cost To Builder), and the Performance Bond or Letter of Credit will continue in effect, in the amount remaining unreleased, as security for Builder's warranty to Aqua and its other covenants and representations contained in the Agreement which survive Contribution.

The terms of the Performance Bond and Letter of Credit may provide for their automatic expiration one year after the effective date of Contribution of the final portion of the Extension Project. Upon the expiration of one year after the effective date of Contribution of the final portion of the Extension Project, Aqua will release any amount remaining undrawn under the Performance Bond or Letter of Credit upon request of Builder.

PERFORMANCE BOND

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS that we, _____, a Pennsylvania _____ as Principal, and _____, as Surety, are held and firmly bound unto Aqua Pennsylvania, Inc., as Obligee, in the sum of (\$ _____), lawful money of the United States of America, for payment of which we jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns, firmly by these presents.

Sealed with our seals and dated this _____ day of _____, 20__.

WHEREAS, the above bounden Principal has entered into a *Builder's Extension Agreement* with Aqua Pennsylvania, Inc. to provide a water main and related appurtenance. Upon Aqua Pennsylvania, Inc.'s sole determination of any default or defaults under that agreement, including without limitation default in any representations or warranties of Principal and defaults in payments to be made by Principal, Aqua Pennsylvania, Inc. shall have the right to notify the Surety and if so notified, the Surety shall make prompt payment to Aqua Pennsylvania, Inc. of the amount set forth in such notices, the aggregate not to exceed the sum set forth above.

NOW, THEREFORE, the condition of this obligation is such that if the above bounden Principal shall well, fully and faithfully construct, install and complete said improvements and other obligations as evidenced by authorization and release of Aqua Pennsylvania, Inc., then the above obligation shall be null and void; otherwise to remain in full force and effect.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, addition to or omission from the terms of the Builder's Extension Agreement, the work to be performed thereunder or the attachments to the Builder's Extension Agreement, or any claim to right of set-off by Principal for any reason, shall in any way affect its obligations on this Bond, and it does hereby waive notice of any change, extension of time, alteration, addition to or omission from the terms of the Builder's Extension Agreement, the work or the related attachments.

This Bond is furnished pursuant to, and is governed by, Pennsylvania law.

Attest:

(Principal):

By: _____

Witness:

(Surety):

By: _____

Letter of Credit

In lieu of a Performance Bond, insert an Irrevocable Letter of Credit from a commercial bank or other lending institution in form and substance acceptable to Aqua.

Sample Only

Attachment K

Insurance

(a) **Required Insurance.** The Builder and the Contractor will each obtain, pay for and maintain during the term of this Agreement and until Contribution of the final portion of the Extension Project such Worker's Compensation, Employers Liability, General Liability and Automobile Liability insurance, as more fully described below, as will protect Aqua from any and all claims and expenses covered by Builder's and/or Contractor's indemnification of Aqua pursuant to the Agreement and from any and all claims resulting from, arising out of or related to the Extension Project for damages for personal injury, including death, and property damage, whether or not the cause is the action, omission or negligence of Builder, Contractor, Aqua, or anyone employed or contracted directly or indirectly by any of them. Insurance policies required under this Agreement, except for Workers' Compensation, must be endorsed to name Aqua and its employees, directors, officers and agents as additional insureds and to make such insurance primary with respect to any insurance which may be carried by Aqua. In addition, the Builder will require that the Contractor also purchase and maintain the types and amounts of insurance coverage described in this Attachment K. In each case, the insurer must be a responsible insurance company or companies authorized and qualified to do business in Pennsylvania and otherwise satisfactory to Aqua. In the event the Builder or Contractor required to provide insurance pursuant to this Section is unable to obtain coverage in a single policy of insurance, it will furnish a policy covering its liability and, in addition, a protective liability policy in favor of Aqua.

(b) **Certificates of Insurance.** Prior to the commencement of construction, the Builder and the Contractor will each furnish to Aqua Certificates of Insurance, or letters or other documentation from the insurer, satisfactory to Aqua, which evidence insurance coverages which comply with this Section. Each certificate must provide for thirty (30) days prior notice (to be sent by registered or certified mail, with return receipt requested) to the Builder and Aqua of any cancellation or amendment of the insurance coverage.

(c) **Risk of Loss; Failure to Maintain or Collect Insurance.** The entire care and responsibility of the work to be performed by or on behalf of Builder and Contractor under this Agreement, the risk of damage to the construction work, and the risk of damage to any persons or other property are that of Builder and Contractor. Damages, losses and expenses caused by failure of Builder or Contractor to obtain and maintain insurance as required by this Section, or failure to pursue a claim or collect the proceeds will not relieve Builder or Contractor from the responsibility of performance in accordance with this Agreement or from bearing the liability for such damages, losses and expenses.

(d) Required Coverage. The types and amounts of insurance shall be as follows:

<u>Type of Coverage</u>	<u>Minimum Limits</u>
Workers' Compensation	Statutory
Employer's Liability	\$100,000 per accident \$500,000 policy limit \$100,000 per employee
Commercial General Liability	\$2,000,000 Combined single limit bodily injury and property damage, each occurrence and aggregate
Automobile Liability	\$1,000,000 Combined single limit, each occurrence
Umbrella Liability	\$5,000,000 Combined single limit bodily injury and property damage, each occurrence and aggregate

In addition, the insurance coverage provided to Aqua shall not exclude claims against Aqua and its employees and agents by employees (or representatives of those employees) of the Builder or Contractor.

If there is a possibility of special hazards in the performance of this Agreement, they shall be covered by a rider or riders to the policy or policies.

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)

Producer

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

YOUR INSURANCE BROKER OR AGENT

COMPANIES AFFORDING COVERAGE

COMPANIES AFFORDING COVERAGE

YOUR INSURANCE COMPANY

Insured

Company
A
Company
B

ABC CONSTRUCTION COMPANY

123 MAIN STREET

ANYTOWN, PA 12345

Company
C
Company
D

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POL. EFF. DATE (MM/DD/YY)	POL. EXP. DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	12345678	1/1/00	1/1/01	GENERAL AGGREGATE \$2,000,000
X	COMMERCIAL GEN LIABILITY OWNERS & CONTRACTOR'S PROT				PRODUCTS-COMP/OP AGG \$2,000,000 EACH OCCURRENCE \$2,000,000 FIRE DAMAGE (Any one Fire) MED EXP (Any one person)
A	AUTOMOBILE LIABILITY	12345678	1/1/00	1/1/01	COMBINED SINGLE LIMIT \$1,000,000
X	ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS				BODILY INJURY (Per Person) BODILY INJURY (Per Accident) PROPERTY DAMAGE
	GARAGE LIABILITY ANY AUTO				AUTO ONLY-EA ACCIDENT OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE
B	EXCESS LIABILITY	12345678	1/1/00	1/1/01	EACH OCCURRENCE \$5,000,000
X	UMBRELLA FORM				AGGREGATE \$5,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	12345678	1/1/00	1/1/01	STATUTORY LIMITS X \$100,000
	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: INCL. EXCL. THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: INCL. EXCL.				EL EACH ACCIDENT \$100,000 EL DISEASE-POLICY LIMIT \$500,000 EL DISEASE-EA EMPLOYEE \$100,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Aqua Pennsylvania, Inc., its employees, directors, officers, agents are listed as additional insured for the main extension project. This insurance shall be primary with respect to any insurance, which may be carried by Aqua Pennsylvania, Inc.

CERTIFICATE HOLDER

Aqua Pennsylvania, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010
Attn: New Business Representative

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE