

Execution Version

ASSET PURCHASE AGREEMENT

by and among

MILFORD WATER COMPANY,

and

TOWN OF MILFORD

dated as of

November 8, 2021

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ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “**Agreement**”), dated as of November 8, 2021, is entered into by and among the Milford Water Company, a Massachusetts corporation (“**Company**”) and the Town of Milford (“**Buyer**”) and solely for purposes of Section 6.08, Fletcher Tilton PC. The Company and Buyer are referred to collectively herein as the “**Parties**” and each individually as a “**Party**”.

RECITALS

WHEREAS, the Company operates the business of furnishing the inhabitants of the Town of Milford, Massachusetts with water for the extinguishment of fires, and for domestic and other purposes (the “**Business**”);

WHEREAS, the Company desires to sell and Buyer desires to purchase substantially all of the assets of the Company at the price and on the terms set forth in this Agreement;

WHEREAS, on January 29, 2018, the Buyer filed its Petition with the Massachusetts Supreme Judicial Court (the “**SJC**”) to appoint the Massachusetts Department of Public Utilities (“**DPU**”) to determine the compensation to be paid for the purchase of the corporate property and all of the rights and privileges of the Company;

WHEREAS, on May 31, 2018, a single Justice of the SJC appointed the DPU to determine the amount of compensation to be paid by the Buyer for its planned purchase;

WHEREAS, on February 26, 2021, the DPU filed the DPU Report and found that the purchase price to be paid for the assets of the Company is \$66,395,908 as of December 31, 2018;

WHEREAS, the Buyer and the Company have agreed that an additional amount as more fully set forth in this Agreement shall be added to the amount determined by the DPU Report in order to constitute the purchase price for the assets of the Business; and

WHEREAS, at least 2/3 of the voters present and voting at a special town meeting held on August 2, 2021 voted to approve the transactions contemplated herein.

NOW, THEREFORE, in consideration of the mutual agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I DEFINITIONS

For purposes of this Agreement, the capitalized terms and variations thereof not otherwise defined in the body of this Agreement shall have the meanings ascribed to them in Exhibit A attached hereto.

ARTICLE II PURCHASE AND SALE OF ASSETS

Section 2.01 Purchased Assets. Except for the Excluded Assets, upon the terms and subject to the conditions of this Agreement, at the Closing, the Company shall sell, convey, transfer, assign, and deliver to Buyer, and Buyer shall purchase from the Company, all rights, title and interests of the Company in and to all of the Purchased Assets, free and clear of all Encumbrances. The term “**Purchased Assets**” means all of the assets of the Company other than the Excluded Assets, and including, without limitation, the following:

(a) All of the Tangible Assets of the Company, including those set forth on Schedule 2.01(a) attached hereto;

(b) To the extent transferable, all licenses, permits, franchises, approvals, registrations, authorizations, Consents or orders of, or filings with, any Governmental Authority (collectively, “**Permits**”) which are held by the Company for the conduct of the Business or for the ownership or use of the Purchased Assets;

(c) All of the Company’s rights in, to and under all Contracts pertaining to the Business and/or the Purchased Assets (the “**Assigned Contracts**”) as set forth on Schedule 2.01(c) attached hereto (and the Company’s right to all security deposits, prepaid expenses, and other amounts, instruments and similar items related to the Assigned Contracts), other than the Excluded Contracts;

(d) All Real Property;

(e) All leases for personal and real property to which the Company is a party, including without limitation, those leases set forth on Schedule 2.01(e) attached hereto (the “**Assigned Leases**”);

(f) All current customer lists, supplier lists, production records, and available credit records or similar records of all sales, and all other papers, Books and Records of the Company to the extent that such records may be transferred in accordance with Law and contract terms, if applicable;

(g) All Intellectual Property and Intellectual Property Rights of the Company, including all of the Company’s right, title and interest in and to all Intellectual Property as set forth on Schedule 2.01(h) attached hereto (the “**Transferred Intellectual Property**”);

(h) All of the Company’s rights, claims, credits, causes of action or rights of set-off in respect to (x) claims against third parties, and (y) warranties, representations, and guarantees made by suppliers, manufacturers, contractors, and other third-parties in connection with products or services purchased by or furnished to the Company;

(i) All of the Company’s Accounts Receivable consistent with Schedule 2.05;
and

(j) All of the Company’s goodwill.

Section 2.02 Excluded Assets. Notwithstanding anything to the contrary herein, the Purchased Assets do not include the following (collectively, the “**Excluded Assets**”):

(a) All of the Company’s rights in, to and under all Contracts that are not Assigned Contracts, including (i) any Contract to which the Company is a party that does not pertain to the Business or the Purchased Assets, (ii) each employment agreement (oral or written) between the Company and its employees and (iii) each Contract listed on Schedule 2.02(a) (collectively, the “**Excluded Contracts**”);

(b) Any Benefit Plan;

(c) The corporate seals, organizational documents, minute books, and originals (but not copies) of Tax Returns and financial books of account, and other records having to do with the corporate organization of the Company;

(d) The Permits of the Company, which Permits cannot be transferred to Buyer or which are otherwise not necessary for the conduct of the Business or for the ownership or use of the Purchased Assets by Buyer;

(e) All insurance policies of the Company;

(f) All bank and other depository accounts held by the Company;

(g) All Cash;

(h) All refunds, rebates and credits of Taxes, Tax losses, loss and credit carry forwards, and other Tax attributes of the Company; and

(i) Net metering credits attributable to pre-Closing use of solar energy.

Section 2.03 Assumption of Liabilities. Upon the terms and subject to the conditions set forth herein, at the Closing, Buyer shall assume and shall thereafter pay, perform, discharge, or otherwise satisfy in accordance with its terms, only the following liabilities (the “**Assumed Liabilities**”):

(a) All Liabilities, obligations and responsibilities of the Company under the Assigned Contracts and Assigned Leases, but only to the extent such Liabilities (i) are required to be performed after the Closing Date, (ii) do not arise from or relate to any breach by the Company of any representation, warranty, covenant, or obligation contained in any such Assigned Contract or Assigned Lease, and (iii) do not arise from or relate to any event, circumstance, or condition occurring or existing on or prior to the Closing Date that, with notice or lapse of time, would constitute or result in a breach of any such contract or lease.

Section 2.04 Excluded Liabilities. Buyer shall not assume and shall have no obligations with respect to any of the Liabilities of the Company other than the Assumed Liabilities (such Liabilities, the “**Excluded Liabilities**”), which Excluded Liabilities shall include, without limitation, the following:

(a) Liabilities of the Company for Taxes, including Pre-Closing Taxes and Successor Taxes;

(b) Liabilities of the Company to the extent either arising out of or relating to the Excluded Assets;

(c) All Liabilities of the Company with respect to Indebtedness of the Company or Transaction Expenses (except to the extent set forth in Schedule 2.05);

(d) Any Liabilities under the Excluded Contracts;

(e) Any Liabilities relating to or arising under any Benefit Plan, including without limitation the Company's pension plan; and

(f) Any Liabilities other than the Assumed Liabilities, including, without limitation, all Liabilities arising or accruing in connection with the Company's ownership or operation of the Business and the Purchased Assets prior to the Closing.

Section 2.05 Purchase Price. The aggregate purchase price for the Purchased Assets shall be the amount reflected on Schedule 2.05, subject to adjustment pursuant to Section 2.06 hereof (the "**Purchase Price**"), plus the assumption of the Assumed Liabilities.

Section 2.06 Post-Closing Purchase Price Adjustment.

(a) Within 60 days after the Closing Date, Buyer shall cause to be prepared and delivered to Company a written statement (the "**Adjustment Statement**") setting forth in reasonable detail and accompanied by reasonably detailed backup documentation, Buyer's determination of: (i) the 2021 Capital Expenditures; (ii) Accounts Receivables; and (iii) the SWAP Fee, in each case of (i), (ii) and (iii) as of the Closing Date; and (iv) the Accounts Receivable Credit for Fourth Quarter 2021 adjusted on a per diem basis for the number of days elapsed from October 1, 2021 through the Closing Date and based on actual Fourth Quarter 2021 Accounts Receivables (collectively, the "**Proposed Amounts**"). Each of the Adjustment Statement and the Proposed Amounts shall be calculated in good faith by Buyer in accordance with the terms and conditions hereof and Buyer shall make its work papers, back-up materials and books and records used in preparing the Adjustment Statement and the Proposed Amounts available to Company and its accountants at reasonable times and upon reasonable notice following the delivery of the Adjustment Statement. If Buyer fails to deliver any of the Proposed Amounts within the 60-day period set forth in this Section, then the applicable Proposed Amount set forth on Schedule 2.05 shall be conclusive and binding upon the Parties.

(b) The Adjustment Statement (and the computations of the Proposed Amounts indicated thereon) delivered by Buyer to Company shall be deemed to be conclusive and binding upon the Parties unless Company, within 30 days after delivery to Company of the Adjustment Statement, notifies Buyer in writing that Company disputes in good faith the calculation of specific line items set forth therein, specifying the nature of each individual disputed line item calculation and the basis therefor in reasonable detail. Buyer and Company shall in good faith attempt to resolve any dispute and, if Buyer and Company so

resolve all disputes, the Adjustment Statement (and the computations of Proposed Amounts indicated thereon), as amended to the extent necessary to reflect the resolution of the dispute, shall be deemed to be conclusive and binding on the Parties. If Buyer and Company do not reach agreement in resolving the dispute within 30 days after notice is given by Company to Buyer pursuant to this Section 2.06(b), either Company or Buyer may cause the Parties to submit the dispute to the Independent Accountant for resolution; *provided*, that if Buyer and Company are unable to agree on the selection of the Independent Accountant, then the Independent Accountant will be chosen by the American Arbitration Association, with the expenses of the American Arbitration Association to be borne 50% by Buyer and 50% by Company, and such appointment shall be final, conclusive and binding on the Parties. Promptly, but no later than 30 days after acceptance of its appointment as Independent Accountant, the Independent Accountant shall determine (it being understood that in making such determination, the Independent Accountant shall be functioning as an expert and not as an arbitrator), based solely on written submissions by Buyer and Company and the terms of this Agreement, and not by independent review, only those issues in dispute and shall render a written report as to the resolution of the dispute and the resulting computation of the Adjustment Statement and Proposed Amounts which shall be final, conclusive and binding on the Parties (except in the case of manifest error, in which case, the determination shall be sent back to the Independent Accountant for correction of such manifest error, and such corrected determination shall be final, conclusive and binding). In resolving any disputed item, the Independent Accountant (x) shall be bound by the provisions of this Section 2.06 and (y) may not assign a value to any item greater than the greatest value for such items claimed by either Buyer, on the one hand, or Company, on the other hand, or less than the smallest value for such items claimed by either Buyer, on the one hand, or Company, on the other hand. The fees, costs and expenses of the Independent Accountant shall be allocated to and borne by Buyer, on the one hand, and Company, on the other hand, based on the inverse of the percentage that the Independent Accountant's determination (before such allocation) bears to the total amount of the total items in dispute as originally submitted to the Independent Accountant. For example, should the items in dispute total in amount to \$1,000 and the Independent Accountant awards \$600 in favor of Company's position, 60% of the costs of its review would be borne by Buyer and 40% of the costs would be borne by Company. The final, binding and conclusive calculation of the Proposed Amounts, based either upon agreement or deemed agreement by Buyer and Company or the written report delivered by the Independent Accountant, in each case, in accordance with this Section 2.06, will be the "**Final Adjustment Amount**" for all purposes of this Agreement.

(c) If the Final Adjustment Amount is less than the amount of (i) the 2021 Capital Expenditures; (ii) Accounts Receivables; and (iii) the SWAP Fee set forth on Schedule 2.05 (any such deficit, the "**Deficit Amount**"), then Company shall pay, or cause to be paid, an amount in dollars equal to the absolute value of the Deficit Amount to Buyer by wire transfer of immediately available funds to such account or accounts designated by Buyer.

(d) If the Final Adjustment Amount is greater than the amount of (i) the 2021 Capital Expenditures; (ii) Accounts Receivables; and (iii) the SWAP Fee set forth on Schedule 2.05 (any such surplus, the "**Surplus Amount**"), then Buyer shall pay, or cause

to be paid, an amount in dollars equal to such Surplus Amount to Company by wire transfer of immediately available funds to such account or accounts designated by Company.

Section 2.07 Transactions to be Effected at the Closing. At the Closing, Buyer shall pay the Purchase Price to the Company as follows:

(a) Buyer shall pay, on behalf of the Company, the following amounts:

(i) all Indebtedness of the Company to be paid at Closing, by wire transfer of immediately available funds to the accounts and in the amounts specified on the Closing Indebtedness Certificate; and

(ii) any Transaction Expenses unpaid at Closing, by wire transfer of immediately available funds to the accounts and in the amounts specified on the Closing Transaction Expenses Certificate; and

(b) Buyer shall pay to the Company the Closing Date Payment by wire transfer of immediately available funds to the account or accounts designated in writing by the Company on the Closing Disbursement Certificate.

Section 2.08 Closing. Subject to the terms and conditions of this Agreement, the purchase and sale of the Purchased Assets contemplated hereby shall take place at a closing (the “**Closing**”) to be held at 9:00 a.m., Boston time, no later than two (2) Business Days after the last of the conditions to Closing set forth in Article VII have been satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date), *provided* however that the Parties agree that the Closing Date for the transaction shall occur on or before December 3, 2021 and is not subject to extension except by written mutual agreement by the Parties to perfect the terms of the Agreement but to a date no later than December 8, 2021, and that if the Closing does not occur on or before December 8, 2021, at the latest, then this Agreement may be terminated at the sole discretion of the Company upon two (2) days advance written notice to Buyer. The Closing shall occur remotely via the electronic exchange of execution versions of the agreements, instruments, certificates and other documents to be entered into, or delivered by any Party under this Agreement and the signature pages thereto via e-mail by .pdf and the wire transfer of immediately available funds to the applicable Parties as required at the Closing, as the Company and Buyer may mutually agree upon (the day on which the Closing takes place being the “**Closing Date**”) and pursuant to mutually acceptable escrow instructions. Except as otherwise set forth specifically herein, for all purposes under this Agreement, the Closing shall be deemed to occur at, and be effective as of, 11:59 pm (Eastern Time) on the Closing Date.

Section 2.09 Withholding Tax. Buyer shall be entitled to deduct and withhold from the Purchase Price all Taxes that Buyer may be required to deduct and withhold under any provision of Tax Law. All such withheld amounts shall be treated as delivered to the Company hereunder and paid to the appropriate taxing authority within thirty (30) days of the Closing Date with confirmation of same provided to the Company forthwith.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF COMPANY

Except as set forth in the correspondingly numbered section of the Disclosure Schedules provided by the Company to the Buyer, the Company hereby represents and warrants to Buyer that the statements contained in this Article III are true and correct as of the date hereof and as of the Closing Date:

Section 3.01 Organization and Qualification of the Company. The Company is a corporation duly organized, validly existing and in good standing under the Laws of the Commonwealth of Massachusetts. The Company has full corporate power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted. The Company is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or qualification necessary.

Section 3.02 Authority and Capacity. The Company has full power and authority to enter into this Agreement and the Ancillary Documents to which it is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by the Company of this Agreement and any Ancillary Document to which it is a party and the consummation by the Company of the transactions contemplated hereby and thereby have been duly and validly authorized by all requisite action and no other proceedings by the Company are necessary to authorize the execution, delivery and performance of this Agreement, the Ancillary Documents or the transactions contemplated hereby and thereby. This Agreement has been duly executed and delivered by the Company, and (assuming due authorization, execution and delivery by Buyer) this Agreement constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms. When each other Ancillary Document to which any Company is or will be a party has been duly executed and delivered by the Company (assuming due authorization, execution and delivery by each other party thereto), such Ancillary Document will constitute a legal and binding obligation of the Company enforceable against such Company in accordance with its terms.

Section 3.03 No Conflicts; Consents. The execution, delivery and performance by the Company of this Agreement and the Ancillary Documents to which they are a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the Articles of Organization, By-laws or other organizational documents of the Company (the “**Company Charter Documents**”); (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to the Company; (c) except as set forth in Section 3.03 of the Disclosure Schedules, require the Consent, approval, filing, notice or other action by any Person, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which the Company is a party or by which the Company is bound or to which any of its respective properties and assets are subject (including any Material Contract) or any Permit affecting the properties, assets or business of the Company; or (d) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on any properties or assets of the Company. Except as set forth in Section 3.03 of the Disclosure Schedules, no Consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to the Company in connection

with the execution, delivery and performance of this Agreement and the Ancillary Documents and the consummation of the transactions contemplated hereby and thereby.

Section 3.04 RESERVED.

Section 3.05 No Subsidiaries. The Company does not own, or have any interest in any shares or have any ownership interest in any other Person.

Section 3.06 Financial Statements and Indebtedness.

(a) Complete copies of the Company's audited financial statements consisting of the balance sheet of the Company as of December 31 in each of the years 2020 and 2019 and the related statements of income and retained earnings, stockholders' equity and cash flow for the years then ended (the "**Audited Financial Statements**"), and unaudited financial statements consisting of the balance sheet of the Company as of and for each month ending between January 31, 2021 and the Closing Date and the related statements of income and retained earnings, stockholders' equity and cash flow as of and for each month ending between January 31, 2021 and the Closing Date (the "**Interim Financial Statements**" and together with the Audited Financial Statements, the "**Financial Statements**") are listed in Section 3.06(a) of the Disclosure Schedules and have been previously provided to the Buyer. The Financial Statements have been prepared in accordance with GAAP (with the exception of the Interim Financial Statements) applied on a consistent basis throughout the period involved, subject, in the case of the Interim Financial Statements, to normal and recurring year-end adjustments (the effect of which will not be materially adverse) and the absence of notes (that, if presented, would not differ materially from those presented in the Audited Financial Statements). The Financial Statements are based on the Books and Records of the Company, and fairly present the financial condition of the Company as of the respective dates they were prepared and the results of the operations of the Company for the periods indicated. The balance sheet of the Company as of December 31, 2020 is referred to herein as the "**Balance Sheet**" and the date thereof as the "**Balance Sheet Date**" and the balance sheet of the Company as of August 31, 2021 is referred to herein as the "**Interim Balance Sheet**" and the date thereof as the "**Interim Balance Sheet Date**". The Company maintains a standard system of accounting established and administered in accordance with GAAP.

(b) Section 3.06(b) of the Disclosure Schedules sets forth a true, correct and complete accounting of the Indebtedness owed by the Company to any Person, calculated as of the date hereof in accordance with GAAP.

Section 3.07 RESERVED.

Section 3.08 Absence of Certain Changes, Events and Conditions. Except in the ordinary course of business and consistent with past practice or as set forth in Section 3.08 of the Disclosure Schedules, since the Balance Sheet Date there has not been, with respect to the Company, any:

(a) event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

- (b) amendment of the Company Charter Documents;
- (c) issuance, sale or other disposition by the Company of any of its capital stock, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any of its capital stock;
- (d) declaration or payment of any dividends or distributions on or in respect of any of its capital stock or redemption, purchase or acquisition of its capital stock;
- (e) material change in the Company's cash management practices and its policies, practices and procedures with respect to collection of accounts receivable, establishment of reserves for uncollectible accounts, accrual of accounts receivable, inventory control, prepayment of expenses, payment of trade accounts payable, accrual of other expenses, deferral of revenue and acceptance of customer deposits;
- (f) incurrence, assumption or guarantee of any indebtedness for borrowed money except unsecured current obligations and Liabilities incurred in the ordinary course of business consistent with past practice;
- (g) transfer, assignment, sale or other disposition of any of the assets shown or reflected in the Balance Sheet except in the ordinary course of business or cancellation of any debts or entitlements;
- (h) transfer or assignment of or grant of any license or sublicense under or with respect to any Company Intellectual Property or Company IP Agreements;
- (i) abandonment or lapse of or failure to maintain in full force and effect any Company IP Registration;
- (j) material damage, destruction or loss (whether or not covered by insurance) to its property;
- (k) any capital investment in, or any loan to, any other Person;
- (l) acceleration, termination, material modification to or cancellation of any Assigned Contract or any other rights constituting Purchased Assets;
- (m) any material capital expenditures other than as set forth in the Capital Expenditure Plan;
- (n) imposition of any Encumbrance upon any of the Company properties, capital stock or assets, tangible or intangible;
- (o) (i) grant of any bonuses, whether monetary or otherwise, or increase in any wages, salary, severance, pension or other compensation or benefits in respect of its current or former employees, officers, directors, independent contractors or consultants, other than as provided for in any written agreements or required by applicable Law, (ii) change in the terms of employment for any employee or any termination of any employees for which the

aggregate costs and expenses exceed Ten Thousand Dollars (\$10,000.00), or (iii) action to accelerate the vesting or payment of any compensation or benefit for any current or former employee, officer, director, independent contractor or consultant;

(p) adoption, modification or termination of any collective bargaining or other agreement with a Union, in each case whether written or oral;

(q) any loan to (or forgiveness of any loan to), or entry into any other transaction with, any of its stockholders or current or former directors, officers and employees;

(r) adoption of any plan of merger, consolidation, reorganization, liquidation or dissolution or filing of a petition in bankruptcy under any provisions of federal or state bankruptcy Law or Consent to the filing of any bankruptcy petition against it under any similar Law;

(s) purchase, lease or other acquisition of the right to own, use or lease any property or assets for an amount in excess of Twenty Thousand Dollars (\$20,000.00), individually (in the case of a lease, per annum) or One Hundred Thousand Dollars (\$100,000.00) in the aggregate (in the case of a lease, for the entire term of the lease, not including any option term), except for purchases of inventory or supplies in the ordinary course of business consistent with past practice;

(t) acquisition by merger or consolidation with, or by purchase of a substantial portion of the assets or stock of, or by any other manner, any business or any Person or any division thereof;

(u) any (i) adoption or change of its accounting (financial or Tax) policies, practices or procedures, (ii) elections in respect to Taxes, (iii) adoption or change of any method of accounting or annual reporting, (iv) settlement or compromise of any Tax liability, claim or assessment, (v) filing of any amended Tax Return, (vi) receipt of any Tax determination from a Governmental Authority affecting the Company, the Business or Purchased Assets, (vii) agreement to an extension or waiver of a statute of limitations period applicable to any Tax claim or assessment, (viii) failure to pay any Tax when due and payable, (ix) surrender of any right to claim a Tax refund or (x) preparation or filing of any Tax Return (or any amendment thereof) unless such Tax Return shall have been prepared in a manner consistent with past practice of the Company; or

(v) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

Section 3.09 Assigned Contracts.

Each Assigned Contract is valid and binding on the Company in accordance with its terms and is in full force and effect. None of the Company or, to Seller's Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under), or has provided or received any notice of any intention to terminate, any Assigned Contract. No event or circumstance known to the Company has occurred that, with notice or lapse of time or both, would constitute an event of default under any Assigned Contract or result in a termination thereof or

would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Complete and correct copies of each Assigned Contract (including all modifications, amendments and supplements thereto and waivers thereunder) have been made available to Buyer.

Section 3.10 Title to Assets; Real Property.

(a) The Company has valid title to, or a valid leasehold interest in, all of its property, including without limitation, Real Property, personal property and other assets reflected in the Disclosure Schedules and/or the Audited Financial Statements or acquired after the Balance Sheet Date, other than properties and assets sold or otherwise disposed of in the ordinary course of business consistent with past practice since the Balance Sheet Date. All Purchased Assets (including leasehold interests) are free and clear of Encumbrances except for the following (collectively referred to as “**Permitted Encumbrances**”):

- (i) those items set forth in Section 3.10(a) of the Disclosure Schedules;
- (ii) liens for Taxes not yet due and payable or that are being contested in good faith and for which appropriate reserves have been established in accordance with GAAP;
- (iii) mechanics, carriers’, workmen’s, repairmen’s or other like liens arising or incurred in the ordinary course of business consistent with past practice or amounts that are not delinquent and which are not, individually or in the aggregate, material to the business of the Company;
- (iv) easements, restrictions, rights of way, zoning ordinances and other similar encumbrances of record affecting Real Property; or
- (v) other than with respect to owned Real Property, liens arising under original purchase price conditional sales contracts and equipment leases with third parties entered into in the ordinary course of business consistent with past practice which are not, individually or in the aggregate, material to the business of the Company.

(b) Section 3.10(b) of the Disclosure Schedules lists (i) the assessors map and parcel number of each parcel of Real Property; (ii) if such property is leased or subleased by the Company, the landlord under the lease, the rental amount currently being paid, and the expiration of the term of such lease or sublease for each leased or subleased property; and (iii) the current use of such property. With respect to owned Real Property, the Company has delivered or made available to Buyer true, complete and correct copies of the deeds and other instruments (as recorded) by which the Company acquired such Real Property, and copies of all title insurance policies, opinions, abstracts and surveys known to be in the possession of, or reasonably accessible to, the Company and relating to the Real Property. With respect to leased Real Property, the Company has delivered or made available to Buyer true, complete and correct copies of any leases affecting the Real Property. Except as set forth in Section 3.10(b) of the Disclosure Schedules, the Company is not a sublessor or grantor under any sublease or other instrument granting to any other Person any right to the

possession, lease, occupancy or enjoyment of any leased Real Property. To the Seller's Knowledge, no material improvements constituting a part of the Real Property encroach on real property owned or leased by a Person other than the Company. There are no Actions pending nor, to the Sellers' Knowledge, threatened against or affecting the Real Property or any portion thereof or interest therein in the nature or in lieu of condemnation or eminent domain Actions.

(c) Except as reflected in Section 3.10(a) of the Disclosure Schedules, each parcel of the Real Property has physical and, to the Sellers' Knowledge, vehicular and pedestrian access to and from roadways as may be reasonably necessary to the operation of the Company's business as currently conducted except where the failure to have such access does not have a Material Adverse Effect. To the Sellers' Knowledge, no fact or condition exists which would result in the termination of (a) the current access from each parcel of the Real Property, and (b) continued use, operation, maintenance, repair and replacement of all existing and currently committed water lines used by the Company in connection with its business, except where such termination would not have a Material Adverse Effect.

(d) The Company owns or has sufficient rights and Consents to use under existing franchises, easements, leases, and license agreements all properties, rights and assets necessary for the conduct of its businesses and operations as currently conducted, except where the failure to own or have sufficient rights and Consents to use such properties, rights and assets would not, individually or in the aggregate, have a Material Adverse Effect. The Company is duly authorized and franchised by the Commonwealth of Massachusetts to carry on its utility operations as presently being conducted and such franchise is unlimited as to time and subject to no burdensome restrictions, not otherwise specified by statute.

(e) **Utilities.** All water, sewer, gas, electric, drainage and other utility equipment, facilities and services required by law or necessary for the operation of the Real Property as it is now improved and operated are installed and connected and are sufficient to service the Real Property.

(f) **Compliance with Law.** The Company has no notice from any Governmental Authority of any violation of any zoning, building, fire, water, use, health, environmental or other statute, ordinance, code or regulation issued in respect of any of the Real Property or any improvements located thereon or constituting a part of the Real Property, that has not been heretofore corrected. There are presently in effect all certificates of occupancy, licenses, Permits and authorizations required by Law or by any Governmental Authority having jurisdiction over any of the Real Property or any portion thereof, or the occupancy thereof or any present use thereof, and all such certificates of occupancy, licenses, Permits and authorizations shall be transferred to the Buyer at the Closing.

Section 3.11 Condition and Sufficiency of Assets.

(a) A list of the Company's buildings, plants, structures, and material Tangible Assets is set forth in Section 3.11(a) of the Disclosure Schedules.

(b) Except as set forth in Section 3.11(b) of the Disclosure Schedules, to the Company's Knowledge but without any duty of inquiry beyond the ordinary course of business of the Company, there are no material maintenance, repairs or replacements needed for any of the Company's buildings, plants, structures, and material above ground Tangible Assets.

Section 3.12 Intellectual Property.

(a) Section 3.12(a) of the Disclosure Schedules contains a correct, current, and complete list of all (i) Company IP Registrations, specifying as to each, as applicable: the title, mark, or design; the record owner and inventor(s), if any; the jurisdiction by or in which it has been issued, registered, or filed; the patent, registration, or application serial number; the issue, registration, or filing date; and the current status; (ii) all unregistered Trademarks included in the Company Intellectual Property; (iii) all proprietary software of the Company; and (iv) all website sites or domain names utilized by the Company. The Company has provided Buyer with the file histories, documents, certificates, office actions, correspondence and other materials related to all Company IP Registrations readily available to the Company.

(b) Section 3.12(b) of the Disclosure Schedules contains a correct, current, and complete list of all Company IP Agreements, specifying for each the date, title, and parties thereto. The Company has provided Buyer with true and complete copies (or in the case of any oral agreements, a complete and correct written description) of all such Company IP Agreements, including all modifications, amendments and supplements thereto and waivers thereunder.

(c) Except as set forth in Section 3.12(c) of the Disclosure Schedules, the Company is the sole and exclusive legal and beneficial, and with respect to the Company IP Registrations, record, owner of all right, title, and interest in and to the Company Intellectual Property, and has the valid and enforceable right to use all other Intellectual Property used or held for use in or necessary for the conduct of the Company's business as currently conducted or as proposed to be conducted, in each case, free and clear of Encumbrances other than Permitted Encumbrances.

(d) There are no Actions (including any opposition, interference, re-examination, cancellation, revocation, review, or other proceeding) settled, pending or threatened (including in the form of offers to obtain a license): (i) alleging any infringement, misappropriation, dilution or other violation by the Company of the Intellectual Property of any Person; (ii) challenging the validity, enforceability, registrability, patentability, or ownership of any Company Intellectual Property or the Company's rights with respect to any Company Intellectual Property; or (iii) by the Company or any other Person alleging any infringement, misappropriation, dilution or violation by any Person of the Company Intellectual Property. The Company is not subject to any outstanding Governmental Order (including any motion or petition therefor) that does or could reasonably be expected to restrict or impair the use of any Company Intellectual Property.

(e) To the Company's Knowledge without any duty of inquiry beyond the ordinary course of business of the Company, in the past eighteen (18) months, there has been no unauthorized access, use or activity, intrusion or breach of security, or failure, breakdown, performance reduction, adverse change, erratic behavior or other adverse event affecting any of the Company's computer hardware, servers, networks, platforms, peripherals, data, communication lines, and other information technology equipment and related systems that has caused any (i) disruption of or interruption in or to the use of such systems or the conduct of the Business; (ii) loss, destruction, damage, or harm of or to the Company or its operations, personnel, property or other assets; or (iii) liability of any kind to the Company.

Section 3.13 Accounts Receivable. The accounts receivable reflected on the Interim Balance Sheet and the accounts receivable arising after the date thereof (a) have arisen from bona fide transactions entered into by the Company involving the sale of goods or the rendering of services in the ordinary course of business consistent with past practice; (b) constitute only valid, undisputed claims of the Company not subject to claims of set-off or other defenses or counterclaims other than normal cash discounts accrued in the ordinary course of business consistent with past practice; and (c) subject to a reserve for bad debts shown on the Interim Balance Sheet or, with respect to accounts receivable arising after the Interim Balance Sheet Date, on the accounting records of the Company, are to the Knowledge of Seller collectible in full in accordance with the ordinary collection practices of the Company. The reserve for bad debts shown on the Interim Balance Sheet or, with respect to accounts receivable arising after the Interim Balance Sheet Date, on the accounting records of the Company have been determined in accordance with GAAP, consistently applied, subject to normal year-end adjustments and the absence of disclosures normally made in footnotes.

Section 3.14 Material Suppliers and Contractors.

(a) Section 3.14(a) of the Disclosure Schedules sets forth (i) each supplier to whom the Company has paid consideration for goods or services rendered in an amount greater than or equal to One Hundred Thousand Dollars (\$100,000.00) for the most recent fiscal year (collectively, the "**Material Suppliers**"); and (ii) the amount of purchases from each Material Supplier during such period. Except as set forth in Section 3.14(a) of the Disclosure Schedules, the Company has not received any notice, and has no reason to believe, that any of its Material Suppliers has ceased, or intends to cease, to supply goods or services to the Business or to otherwise terminate or materially reduce its relationship with the Business.

(b) Section 3.14(b) of the Disclosure Schedules sets forth (i) each contractor to whom the Company has paid consideration for goods or services rendered in an amount greater than or equal to One Hundred Thousand Dollars (\$100,000.00) for the most recent fiscal year (collectively, the "**Material Contractors**"); and (ii) the amount of purchases from each Material Contractor during such period. Except as set forth in Section 3.14(b) of the Disclosure Schedules, the Company has not received any notice, and has no reason to believe, that any of its Material Contractors has ceased, or intends to cease, to supply goods or services to the Business or to otherwise terminate or materially reduce its relationship with the Business.

Section 3.15 Insurance. Neither the Company nor any of its Affiliates has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of such insurance policies currently in force or effect (“**Insurance Policies**”). All premiums due on such Insurance Policies have either been paid or, if due and payable prior to Closing, will be paid prior to Closing in accordance with the payment terms of each Insurance Policy. All such Insurance Policies (a) are valid and binding in accordance with their terms; (b) are to the Knowledge of the Company provided by carriers who are financially solvent; and (c) have not been subject to any lapse in coverage. Except as set forth in Section 3.15 of the Disclosure Schedules, there are no claims related to the business of the Company pending under any such Insurance Policies as to which coverage has been questioned, denied or disputed or in respect of which there is an outstanding reservation of rights. None of the Company or any of its Affiliates is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any such Insurance Policy. The Insurance Policies are of the type and in the amounts customarily carried by Persons conducting a business similar to the Company and are sufficient for compliance with all applicable Laws and Contracts to which the Company is a party or by which it is bound.

Section 3.16 Legal Proceedings; Governmental Orders.

(a) Except as set forth in Section 3.16(a) of the Disclosure Schedules, there are no Actions pending or, to Sellers’ Knowledge, threatened (i) against or by the Company affecting any of the Purchased Assets or relating to the Company; or (ii) against or by the Company that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action under existing regulatory standards.

(b) Except as set forth in Section 3.16(b) of the Disclosure Schedules or as otherwise set forth in Section 3.17(c), there are no outstanding Governmental Orders and no unsatisfied judgments, penalties or awards against or affecting the Company or any of the Purchased Assets. The Company is in compliance with the terms of each Governmental Order set forth in Section 3.16(b) of the Disclosure Schedules. No event has occurred or circumstances exist that may constitute or result in (with or without notice or lapse of time) a violation of any such Governmental Order.

Section 3.17 Compliance with Laws; Permits.

(a) Except as set forth in Section 3.17(a) of the Disclosure Schedules, to the Company’s Knowledge, the Company has complied, and is now complying, with all Laws applicable to it or its business, properties or assets.

(b) To the Company’s Knowledge Permits required for the Company to conduct its business have been obtained by it and are valid and in full force and effect. All fees and charges with respect to such Permits as of the date hereof have been paid in full. Section 3.17(b) of the Disclosure Schedules lists all current Permits issued to the Company, including the names of the Permits and their respective dates of issuance and expiration. No event has occurred that is known to the Company that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Permit set forth in Section 3.17(b) of the Disclosure Schedules.

(c) **Regulation as a Utility.** The Company is regulated as a public utility in Massachusetts. The Company is not subject to regulation as a public utility or public service company (or similar designation) by any other state in the United States, by the United States or any agency or instrumentality of the United States or by any foreign country. The Company is not a holding company under the Public Utility Holding Company Act of 1935, as amended.

Section 3.18 Environmental Matters.

(a) Except as set forth in Section 3.18(a) of the Disclosure Schedules, the Company has not received from any Person any: (i) Environmental Notice or Environmental Claim; or (ii) written request for information pursuant to Environmental Law, which, in each case, either remains pending or unresolved, or is the source of ongoing obligations or requirements as of the Closing Date.

(b) The Company has obtained the Environmental Permits (disclosed in Section 3.18(b) of the Disclosure Schedules) and all such Environmental Permits are in full force and effect and shall be maintained in full force and effect by the Company through the Closing Date in accordance with Environmental Law. With respect to any such Environmental Permits, the Company has undertaken, or will undertake prior to the Closing Date (but not as a condition to Closing), all reasonable measures necessary to facilitate transferability of the same, and the Company is not aware of any condition, event or circumstance that might prevent or impede the transferability of the same, nor have they received any Environmental Notice or written communication regarding any material adverse change in the status or terms and conditions of the same.

(c) To the Company's Knowledge, no Real Property currently owned, operated or leased by the Company is listed on the National Priorities List (or CERCLIS) under CERCLA, or any similar state list.

(d) Except as set forth in Section 3.18(d) of the Disclosure Schedules the Company does not have Knowledge that there has been a Release of Hazardous Materials in contravention of Environmental Law with respect to the business or assets of the Company or any Real Property currently owned, operated or leased by the Company, and no Company has received an Environmental Notice that any Real Property currently or formerly owned, operated or leased in connection with the business of the Company (including soils, groundwater, surface water, buildings and other structure located on any such Real Property) has been contaminated with any Hazardous Material which could reasonably be expected to result in an Environmental Claim against, or a violation of Environmental Law or term of any Environmental Permit by the Company.

(e) To the Knowledge of the Company, Section 3.18(e) of the Disclosure Schedules contains a complete and accurate list of all off-site Hazardous Materials treatment, storage, or disposal facilities or locations used by the Company since 2018 and any predecessors as to which the Company may retain liability, and none of these facilities or locations has been placed or proposed for placement on the National Priorities List (or CERCLIS) under CERCLA, or any similar state list, and the Company has not received any

Environmental Notice regarding potential liabilities with respect to such off-site Hazardous Materials treatment, storage, or disposal facilities or locations used by the Company.

(f) Company has not retained or assumed, by contract or operation of Law, any liabilities or obligations of third parties under Environmental Law.

(g) The Company has provided or otherwise made available to Buyer and listed in Section 3.18(g) of the Disclosure Schedules: (i) any and all environmental reports, studies, audits, records, sampling data, site assessments, risk assessments, economic models and other similar documents with respect to the business or assets of the Company or any currently or formerly owned, operated or leased Real Property which are in the possession or control of the Company related to compliance with Environmental Laws, Environmental Claims or an Environmental Notice or the Release of Hazardous Materials; and (ii) any and all material documents concerning planned or anticipated capital expenditures required to reduce, offset, limit or otherwise control pollution and/or emissions, manage waste or otherwise ensure compliance with current or future Environmental Laws (including, without limitation, costs of remediation, pollution control equipment and operational changes).

(h) Except as set forth in Section 3.18(h) of the Disclosure Schedules, as of the date of this Agreement:

(i) The Company is and has been for the past two (2) years in full compliance with all federal and state primary drinking water standards and the Company makes no representations or warranties related to future compliance as may relate to any changes or amendments to such standards which may be made in the future;

(ii) The Company is and has been for the past two (2) years in full compliance with all federal and state secondary drinking water standards and the Company makes no representations or warranties related to future compliance as may relate to any changes or amendments to such standards which may be made in the future; and

(iii) As to all outstanding violations of state or federal drinking water standards, the Company has completed or is in the process of completion in accordance with all applicable deadlines, all actions required by any Environmental Laws to correct or otherwise respond to such violations and the Company makes no representations or warranties related to future compliance as may relate to any changes or amendments to such standards which may be made in the future.

Section 3.19 Employee Benefit Matters.

(a) Other than the Milford Water Company Pension Plan, the Company does not sponsor, maintain, or contribute to and has not ever sponsored, maintained or contributed to (or been obligated to sponsor, maintain or contribute to), and the Company has no Liability with respect to: (i) any "multiemployer plan," as defined in Section 3(37) or 4001(a)(3) of ERISA or 414(f) of the Code (a "**Multiemployer Plan**"); or (ii) any employee benefit plan that is subject to Section 302 of ERISA, Title IV of ERISA or Section 412 of the Code.

(b) With respect to the Milford Water Company Pension Plan except as set forth in Section 3.19 of the Disclosure Schedules, (i) all benefits, contributions and premiums relating to the plan and payable prior to the Closing have been timely paid in accordance with the terms of such plan and all applicable Laws; (ii) the plan has sufficient assets to pay all benefits due to plan participants and the Company shall contribute such additional amounts at such time as it is legally required to do so to terminate the plan as contemplated in a "standard termination," within the meaning of section 4041(b) of ERISA, and in full compliance with all applicable requirements of the PBGC, ERISA, the Code, and any and all other applicable Laws; (iii) there is no pending or, to Sellers' Knowledge, threatened Action relating to the plan (other than routine claims for benefits); and (iv) the plan is not currently subject to any examination or audit by a Governmental Authority, and the Company has not received any written notice that any Governmental Authority intends to initiate any such examination or audit.

(c) The Company has provided Buyer with a complete and accurate list of any and all (i) former employees and (ii) spouses and dependents of former employees who are entitled to continuation coverage under any Company medical plan pursuant to sections 601 to 608 of ERISA or other applicable Law.

Section 3.20 Employment Matters.

(a) Section 3.20(a) of the Disclosure Schedules contains a list of all persons who are employees of the Company as of the date hereof, including any employee who is on a leave of absence of any nature, paid or unpaid, authorized or unauthorized, and sets forth for each such individual the following: (i) name; (ii) title or position (including whether full-time or part-time); (iii) hire or retention date; (iv) current annual base compensation rate or contract fee; (v) commission, bonus or other incentive-based compensation; (vi) the amount of any salary advance outstanding at the time of execution of this Agreement, and (vii) a description of the fringe benefits provided to each such individual as of the date hereof. Except as set forth in Section 3.20(a) of the Disclosure Schedules, as of the date hereof, all compensation, including wages, commissions, bonuses, fees and other compensation, payable to all employees, independent contractors or consultants of the Company for services performed on or prior to the date hereof have been paid in full (or accrued in full on the Balance Sheet).

(b) The Company is not, and has not been for the past five (5) years, a party to, bound by, or negotiating any collective bargaining agreement or other Contract with a union, works council or labor organization (collectively, "**Union**"), and there is not, and has not been for the past five (5) years, any Union representing or purporting to represent any employee of the Company, and no Union or group of employees is seeking or has sought to organize employees for the purpose of collective bargaining. There has never been, nor has there been any threat of, any strike, slowdown, work stoppage, lockout, concerted refusal to work overtime or other similar labor disruption or dispute affecting the Company or any of its employees. The Company has no duty to bargain with any Union.

(c) The Company has complied in full with the WARN Act, has no plans to undertake any action in the future that would trigger the WARN Act and assumes all Liability with respect to the WARN Act up to and including the Closing Date.

(d) To the Knowledge of the Company, all individuals characterized and treated by the Company as independent contractors or consultants are properly treated as independent contractors under all applicable Laws. All employees of the Company classified as exempt under the Fair Labor Standards Act and state and local wage and hour laws are properly classified.

Section 3.21 Taxes.

(a) All Tax Returns required to be filed by the Company have been timely filed. Such Tax Returns are true, complete and correct in all respects. All Taxes due and owing by the Company (whether or not shown on any Tax Return) have been timely paid.

(b) The Company has withheld and paid each Tax required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, customer, Shareholder or other party, and complied with all information reporting and backup withholding provisions of applicable Law.

(c) No claim has been made by any taxing authority in any jurisdiction where the Company does not file Tax Returns that it is, or may be, subject to Tax by that jurisdiction.

(d) No waivers of statutes of limitations have been given or requested with respect to any Taxes of the Company and the Company has not agreed to any extension of time with respect to a Tax assessment or deficiency.

(e) The amount of the Company's Liability for unpaid Taxes for all periods ending on or before September 30, 2021 does not, in the aggregate, exceed the reserve for Tax Liability (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) reflected on the face of the most recent Financial Statements (rather than in any notes thereto). The amount of the Company's Liability for unpaid Taxes for all periods following the end of the most recent period covered by the Financial Statements shall not, in the aggregate, exceed the reserve for Tax Liability (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) as adjusted for the passage of time in accordance with the past custom and practice of the Company (and which accruals shall not exceed comparable amounts incurred in similar periods in prior years).

(f) The Company is not a party to any Action by any taxing authority. There are no pending or threatened Actions by any taxing authority. No director or officer (or employee responsible for Tax matters) of the Company expects any authority to assess any additional Taxes for any period for which Tax Returns have been filed. The Company has not received from any federal, state, local, or non-U.S. taxing authority (including jurisdictions where the Company has not filed Tax Returns) any (i) notice indicating an intent to open an audit or other review, (ii) request for information related to Tax matters,

or (iii) notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed by any taxing authority against the Company.

(g) The Company has delivered to Buyer correct and complete copies of all federal, state, local and foreign income, franchise and similar Tax Returns, examination reports, and statements of deficiencies assessed against, or agreed to by, the Company for all Tax periods ending after December 31, 2017.

(h) There are no Encumbrances for Taxes (other than for current Taxes not yet due and payable) upon the assets of the Company.

Section 3.22 Related Party Transactions. Except as set forth in Section 3.22 of the Disclosure Schedules, no executive officer or director of the Company or any person owning five percent (5%) or more of the Company's capital stock (or any of such Person's immediate family members or Affiliates or associates) is a party to any Contract with or binding upon the Company or any of its assets, rights or properties or has any interest in any property owned by the Company or has engaged in any transaction with any of the foregoing within the last twelve (12) months.

Section 3.23 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Ancillary Document based upon arrangements made by or on behalf of the Company.

Section 3.24 Full Disclosure. No representation or warranty by the Company in this Agreement and no statement contained in the Disclosure Schedules to this Agreement or any certificate or other document furnished or to be furnished to Buyer or any of its Representatives pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

Section 3.25 Nature of Representations. The Buyer and the Company acknowledge that, except as expressly provided in Article III and Article IV, and each of their respective subparts, neither Party hereto has made or is making any representations or warranties whatsoever, implied, or otherwise, with respect to itself, the Business, or the transactions contemplated hereby. The Buyer acknowledges that, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, (x) THE PURCHASED ASSETS ARE CONVEYED "AS IS, WHERE IS" AND "WITH ALL FAULTS," AND (y) THE COMPANY HAS NOT MADE, AND THE COMPANY HEREBY EXPRESSLY DISCLAIMS AND NEGATES, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE WHATSOEVER RELATING TO THE PURCHASED ASSETS OR BUSINESS (INCLUDING ANY IMPLIED OR EXPRESSED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE).

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER

Except as set forth in the correspondingly numbered section of the Disclosure Schedules provided by the Buyer to the Company, Buyer represents and warrants to the Company that the statements contained in this Article IV are true and correct as of the date hereof.

Section 4.01 Authority of Buyer. Buyer has full power and authority to enter into this Agreement and the Ancillary Documents to which Buyer is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and any Ancillary Document to which Buyer is a party, the performance by Buyer of its obligations hereunder and thereunder and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all requisite action on the part of Buyer and no other proceedings on the part of Buyer are necessary to authority the execution, delivery and performance of this Agreement and the other transactions contemplated hereby. This Agreement has been duly executed and delivered by Buyer, and (assuming due authorization, execution and delivery by each other party hereto) this Agreement constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms. When each Ancillary Document to which Buyer is or will be a party has been duly executed and delivered by Buyer (assuming due authorization, execution and delivery by each other party thereto), such Ancillary Document will constitute a legal and binding obligation of Buyer enforceable against it in accordance with its terms.

Section 4.02 No Conflicts; Consents. The execution, delivery and performance by Buyer of this Agreement and the Ancillary Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Buyer; or (c) except as set forth in Section 4.02 of the Disclosure Schedules, require the Consent, notice or other action by any Person under any Contract to which Buyer is a party. No Consent, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Buyer in connection with the execution and delivery of this Agreement and the Ancillary Documents and the consummation of the transactions contemplated hereby and thereby, except for such Consents, Permits, Governmental Orders, declarations, filings or notices which, in the aggregate, would not have a Material Adverse Effect.

Section 4.03 Legal Proceedings. There are no Actions pending or, to Buyer's knowledge, threatened against or by Buyer or any Affiliate of Buyer that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise or serve as a basis for any such Action.

Section 4.04 Own Investigation.

(a) Buyer acknowledges and agrees that (i) it has made its own inquiry and investigation into, and, based thereon, has formed an independent judgment concerning the Company and the assets and properties of the Company, (ii) it has been furnished with or been given adequate access to such information about the Company and the businesses, assets and properties of the Company as it has requested, (iii) the only representations, warranties, covenants and agreements are those expressly set forth in this Agreement, and Buyer has not relied and shall not rely upon any other information made by Company or by any other Person, including any information provided by or through advisors, bankers,

lawyers, management presentations, data rooms or other “due diligence” information, and Buyer has no rights or remedies in connection with such information except as expressly set forth herein, (iv) any claims Buyer may have for breach of representation or warranty must be based solely on the representations and warranties set forth herein (as qualified by the Disclosure Schedule), and (v) Buyer will not assert nor permit to be asserted any claim against the Company or its officers, directors, employees or shareholders (“**Representatives**”) for any inaccuracies, misstatements or omissions with respect to information furnished by Representatives, including without limitation any information set forth in any confidential information memorandum, management presentation, due diligence report or other materials previously presented, made or delivered to Buyer (other than permitted indemnification claims pursuant to, and in accordance with the terms of, Article VIII with respect to the representations and warranties of the Company contained in this Agreement).

(b) In connection with Buyer’s investigations, Buyer has received certain estimates, projections and other forecasts, plans and budgets, including without limitation forecasts of water supply. Buyer acknowledges and agrees that there are uncertainties inherent in attempting to make such estimates, projections, forecasts, plans and budgets, that Buyer is familiar with such uncertainties and is not relying upon such estimates, projections, forecasts, plans or budgets, that Buyer is taking full responsibility for making its own evaluation of the adequacy and accuracy of all such estimates, projections, forecasts, plans and budgets, and that Buyer will not assert or permit to be asserted any claim against the Company or its Representatives liable with respect thereto. Buyer acknowledges and agrees that the Company is not making, nor has it made, directly or indirectly, any representations or warranties regarding pro forma financial information, financial projections, supply projections or other forward-looking statements in respect of the business of the Company or the respective assets and properties of the Company.

(c) Buyer is aware that the Massachusetts Department of Environmental Protection (“**DEP**”) has promulgated new regulations regarding monitoring for Per and Polyfluoroalkyl Substances (“**PFAS**”) in public drinking water supplies and mandating certain actions if containment levels of PFAS exceed certain established quantities. Buyer is aware that Seller has been and continues to conduct regulatory compliance monitoring which is required to be completed by Buyer following the Closing Date. Buyer recognizes that the monitoring performed by the Company presently may result in future corrective actions and accepts that all such corrective actions are and shall be the sole obligation of the Buyer.

ARTICLE V COVENANTS

Section 5.01 Conduct of Business Prior to the Closing. From the date hereof until the Closing, except as otherwise provided in this Agreement or consented to in writing by Buyer, the Company shall, (x) conduct the Business in the ordinary course of business consistent with past practice; and (y) use reasonable best efforts to maintain and preserve intact the current organization, business and franchise of the Company and to preserve the rights, franchises, goodwill and

relationships of its employees, customers, lenders, suppliers, regulators and others having business relationships with the Company. Without limiting the foregoing, from the date hereof until the Closing Date, the Company shall:

- (a) preserve and maintain all of the Company's Permits;
- (b) pay the Company's debts, Taxes and other obligations when due;
- (c) maintain the properties and assets owned, operated or used by the Company in the same condition as they were on the date of this Agreement, subject to casual and reasonable wear and tear;
- (d) continue in full force and effect without modification all Insurance Policies, except as required by applicable Law;
- (e) utilize good faith efforts to defend and protect its properties and assets from infringement or usurpation;
- (f) utilize good faith efforts to perform all of its obligations under all Contracts relating to or affecting its properties, assets or business;
- (g) maintain its Books and Records in accordance with past practice;
- (h) utilize good faith efforts to comply in all material respects with all applicable Laws;
- (i) except in the case of any unforeseen repair or replacement which require prompt response by the Company, refrain from entering into any agreements with related parties, including without limitation R.H. White Construction Co, Inc., R.H. White Companies, Inc. and any other entity controlled by the White family, other than as set forth in the Capital Expenditure Plan;
- (j) except in the case of any unforeseen repair or replacement, make any capital expenditures other than pursuant to the Capital Expenditure Plan and refrain from making any additional capital expenditures other than those set forth in the Capital Expenditure Plan and those that are clearly required to preserve the assets owned, operated or used by the Company or to prevent interruption of service;
- (k) subject to applicable law and except for nonmaterial filings in the ordinary course of business consistent with regulatory orders or past practice or changes consistent with existing regulatory orders, consult with Buyer prior to implementing any changes in the Company's rates or charges (other than automatic cost pass-through rate adjustment clauses), standards of service or accounting or executing any agreement with respect thereto that is otherwise permitted under this Agreement, and deliver to Buyer a copy of each such filing or agreement at least three (3) days prior to the filing or execution thereof so that Buyer may comment thereon;

(l) not (i) make any payments or enter into any commitment or transaction, (ii) waive or release any right or claim, (iii) fail to pay, or delay in paying, accounts payable when due, or (iv) change or deviate from any cash management practices, in each case, outside of the ordinary course of business or inconsistent with past practice;

(m) not issue, grant, deliver or sell, or authorize, propose, promise or make any commitment for the issuance, grant, delivery, or sale of, or purchase or propose the purchase of, any Company stock, voting securities or other equity or ownership interests of the Company, option, warrant, subscription right, preemptive right, other right, proxy, put, call, demand, plan commitment, agreement, understanding or arrangement of any kind relating to such securities;

(n) not acquire or dispose of, or agree to acquire or dispose of, by merging or consolidating with, or by purchasing or selling any assets or equity securities of, or by any other manner, the Company or any business or any Person or division thereof, or otherwise acquire, sell or agree to acquire or sell outside of the ordinary course of business consistent with prior practice any assets in any amount;

(o) not without having prior notice to the Buyer (i) hire or engage any employees, consultants or contractors of the Company, or induce or encourage any employees, consultants or contractors of the Company to resign from the Company, or promote or transfer any employees or change the employment status or titles or terms of employment of any employees, or (ii) increase the salary or other compensation (of any type or form) payable or to become payable by the Company to any of the Company's employees, consultants, contractors or advisors, or (iii) modify any existing salary, bonus, commission, severance, equity compensation or other equity arrangement or any other compensation arrangement with any such Person or modify or waive any of the terms or conditions thereof or the performance or other criteria or conditions to payment or earning thereof, or (iv) declare, pay, commit to, approve or undertake any obligation of any other kind for the payment by the Company of a bonus, commission or other additional salary, compensation or employee benefits to any such Person;

(p) not take or permit any ERISA Affiliates to take any action that would cause the Company to (i) incur or reasonably expect to incur, either directly or indirectly, any material Liability under Title I or Title IV of ERISA or related provisions of the Code or applicable local Law relating to employee benefit plans; (ii) fail to timely pay premiums to the PBGC; (iii) withdraw from any Multiemployer Plan; (iv) engage in any transaction which would give rise to liability under sections 4069 or 4212(c) of ERISA; (v) incur taxes under section 4971 of the Code with respect to any Single Employer Plan; or (vi) participate in a MEWA;

(q) not enter into any Contract that would constitute a Material Contract if it had been entered into prior to the date hereof;

(r) not incur any Indebtedness not otherwise existing as of the date of this Agreement;

(s) not make any payment of, or in respect of, any Tax to any Person or any Governmental Authority, except to the extent that the Company reasonably believes in good faith that such payment is in respect of a Tax that is due and payable or has been properly estimated in accordance with applicable Law as applied in a manner consistent with the prior practice of the Company;

(t) except in accordance with customary practices at the Company, not make any declaration, set aside, or pay any dividend or other distribution (whether in cash, equity or property) or other transfer of value on or with respect to, or redeem, purchase or otherwise acquire any Company securities;

(u) not amend, extend, vary or terminate any lease, permit any lease to expire, or enter into any new lease, sublease, license or other agreement pursuant to which the Company derives any rights to use or occupy any Real Property;

(v) not take or permit any action that would cause any of the changes, events or conditions described in Section 3.08 to occur; and

(w) not take or agree in writing or otherwise to take, any of the actions described in Section 5.01(a) through (v) above, or any other action or omission that would prevent the Company from performing or cause the Company not to perform its obligations hereunder, or that would likely cause any of its representations and warranties contained in this Agreement to be untrue or inaccurate in any material respect at or prior to the Closing Date.

Section 5.02 Access to Information. From the date hereof until the Closing, the Company shall (a) afford Buyer and its Representatives full and free access to and the right to inspect all of the Real Property, properties, assets, premises, Books and Records, Contracts and other documents and data related to the Company; (b) furnish Buyer and its Representatives with such financial, operating and other data and information related to the Company as Buyer or any of its Representatives may reasonably request; and (c) instruct the Representatives of the Company to cooperate with Buyer in its investigation of the Company. Without limiting the foregoing, the Company shall permit Buyer and its Representatives to conduct environmental due diligence of the Company and the Real Property, including the collecting and analysis of samples of indoor or outdoor air, surface water, groundwater or surface or subsurface land on, at, in, under or from the Company and the Real Property. Subject to the limitations set forth in this Agreement, Buyer, its agents, contractors, employees or other representatives (the “**Buyer Parties**”), shall be entitled to enter upon the Real Property upon at least forty-eight (48) hours’ notice to the Company’s designated representative, David L. Condrey (which may be given by email: dcondrey@milfordwater.com or telephone: (508) 473-5110), to perform inspections and tests of the Real Property including surveys, non-intrusive environmental studies, examinations and tests of all structural and mechanical systems within the Real Property (“**Diligence Investigations**”). Before entering upon the Real Property, Buyer shall ensure that each of its contractors and agents maintains general liability insurance, from an insurer reasonably acceptable to Seller, in the amount of at least One Million and 00/100 Dollars (\$1,000,000.00) combined single limit for personal injury and property damage per occurrence, such policies to name Seller as an additional insured party, which insurance shall provide coverage against any claim for personal liability or property damage caused by Buyer or the Buyer Parties in connection with Buyer’s entry, tests and inspections upon the Real Property. If Buyer wishes to

engage in any subsurface or intrusive environmental or physical testing of the Real Property or any other testing which could damage or disturb any portion of the Real Property, Buyer shall obtain the Company's prior consent thereto, which consent shall not be unreasonably withheld, delayed or conditioned. Such consent shall be granted or denied by the Company in writing within three (3) business days of Buyer's written request to conduct such testing, which request shall state with specificity the portions of the Real Property to be tested, the methodology of such testing and the specific areas of the Real Property for which the testing shall be conducted. Any denial by the Company of consent shall be in writing and shall state with specificity the basis for such disapproval and shall state under what conditions, if any, the Company would permit such testing. The failure of the Company to respond in writing within three (3) business days of the written request of Buyer shall be deemed approval for such testing as specified in Buyer's written notice. Without limiting the generality of the foregoing, the Company's written approval shall be required prior to any testing or sampling of surface or subsurface soils, groundwater or any materials in connection with Buyer's environmental, mechanical or structural due diligence. Buyer shall not suffer or permit any lien, claim or charge of any kind whatsoever which arises out of activities of Buyer or the Buyer Parties to attach to the Real Property or any part thereof. Buyer shall, immediately repair any damage to the Real Property caused by any such tests or investigations or Buyer's entry or the Buyer Parties' entry onto the Real Property and restore the Real Property to substantially the same condition existing prior to such tests or investigations. Buyer hereby agrees to indemnify, defend, and hold the Company, and each manager, member, partner, officer, director, employee, agent or attorney of the Company and their respective agents, representatives and employees free and harmless from and against any and all costs, loss, liability, damages and expenses, of any kind or nature whatsoever (including reasonable attorneys' fees and costs actually incurred), arising out of damage to persons or property caused by or arising out of or resulting from the entry and/or the conduct of activities upon the Real Property by Buyer or the Buyer Parties in connection with Buyer's Diligence Investigations, *provided*, however, that the foregoing indemnity shall not apply to the mere discovery of a pre-existing condition except to the extent such conditions were exacerbated due to the acts or omissions of Buyer or any of the Buyer Parties, nor shall such indemnity apply to the extent any such costs, loss, liability, damages and expenses arose out of the negligence or willful misconduct of the Company. In no event shall Buyer be liable for consequential, punitive or special damages. The foregoing obligations and indemnification shall survive the termination of this Agreement. No investigation by Buyer or other information received by Buyer shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Company in this Agreement.

Section 5.03 No Solicitation of Other Bids.

(a) The Company shall not, and shall not authorize or permit any of its Affiliates or Representatives to, directly or indirectly, (i) encourage, solicit, initiate, engage (including by way of furnishing or disclosing information), facilitate or continue inquiries to any third Person other than Buyer regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. The Company shall immediately cease and cause to be terminated, and shall cause its Affiliates and Representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Persons conducted heretofore with respect to, or that could lead to, an Acquisition Proposal.

(b) In addition to the other obligations under this Section 5.03, the Company shall promptly and in any event within two (2) Business Days after receipt thereof by the Company advise Buyer orally and in writing of any Acquisition Proposal, any request for information with respect to any Acquisition Proposal, or any inquiry with respect to or which could reasonably be expected to result in an Acquisition Proposal, the material terms and conditions of such request, Acquisition Proposal or inquiry, and the identity of the Person making the same.

(c) The Company agrees that the rights and remedies for noncompliance with this Section 5.03 shall include having such provision specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to Buyer and that money damages would not provide an adequate remedy to Buyer.

Section 5.04 Notice of Certain Events.

(a) From the date hereof until the Closing, the Company shall promptly notify Buyer in writing of:

(i) any fact, circumstance, event or action the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by the Company hereunder not being true and correct or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 7.02 to be satisfied;

(ii) any notice or other communication from any Person alleging that the Consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;

(iii) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement;

(iv) within five (5) days after the receipt of notice of violation, the Company shall notify Buyer of any violations of state or federal drinking water standards which, if such violations existed on the date hereof, would be required to be disclosed pursuant to Section 3.18(h) hereof, and shall promptly notify Buyer of the actions proposed to be taken by the Company to correct or otherwise respond to such violations; and

(v) any Actions commenced or, to Sellers' Knowledge, threatened against, relating to or involving or otherwise affecting the Company that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 3.16 or that relates to the consummation of the transactions contemplated by this Agreement.

(b) Buyer's receipt of information pursuant to this Section 5.04 shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Company in this Agreement (including Section 8.02 and Section 9.01(b)) and shall not be deemed to amend or supplement the Disclosure Schedules.

Section 5.05 Governmental Approvals and Consents.

(a) Each party hereto shall, as promptly as possible and in a coordinated manner, (i) make, or cause or be made, all filings and submissions required under any Law applicable to such party or any of its Affiliates; and (ii) use reasonable best efforts to obtain, or cause to be obtained, all Consents from all Governmental Authorities that may be or become necessary for its execution and delivery of this Agreement and the performance of its obligations pursuant to this Agreement and the Ancillary Documents. Each party shall cooperate fully with the other parties and their Affiliates in promptly seeking to obtain all such Consents. The parties hereto shall not willfully take any action that will have the effect of delaying, impairing or impeding the receipt of any required Consents.

(b) The Company and Buyer shall use reasonable best efforts to give all notices to, and obtain all Consents from, all third parties that are described in Section 3.03 and Section 4.02 of the Disclosure Schedules.

(c) Without limiting the generality of the parties' undertakings pursuant to Section 5.05(a) and (b) above, each of the parties hereto shall use all reasonable best efforts to:

(i) respond to any inquiries by any Governmental Authority regarding antitrust or other matters with respect to the transactions contemplated by this Agreement or any Ancillary Document;

(ii) avoid the imposition of any order or the taking of any action that would restrain, alter or enjoin the transactions contemplated by this Agreement or any Ancillary Document; and

(iii) in the event any Governmental Order adversely affecting the ability of the parties to consummate the transactions contemplated by this Agreement or any Ancillary Document has been issued, to have such Governmental Order vacated or lifted.

(d) If any Consent necessary to preserve any right or benefit under any Contract to which the Company is a party is not obtained prior to the Closing, the Company shall, subsequent to the Closing, cooperate with Buyer in attempting to obtain such Consent as promptly thereafter as practicable. If such Consent cannot be obtained, the Company shall use its reasonable best efforts to provide the Buyer with the rights and benefits of the affected Contract for the term thereof, at no additional cost or risk to the Company and, if the Company provides such rights and benefits, the Buyer shall assume all obligations and burdens thereunder.

(e) All analyses, appearances, meetings, discussions, presentations, memoranda, briefs, filings, arguments, and proposals made by or on behalf of Buyer or the Company before any Governmental Authority or the staff or regulators of any Governmental Authority, in connection with the transactions contemplated hereunder (but, for the avoidance of doubt, not including any interactions between the Company with Governmental Authorities in the ordinary course of business, any disclosure which is not permitted by Law or any disclosure containing confidential information) shall be disclosed to the other party hereunder in advance of any filing, submission or attendance, it being the intent that the parties will consult and cooperate with one another, and consider in good faith the views of one another, in connection with any such analyses, appearances, meetings, discussions, presentations, memoranda, briefs, filings, arguments, and proposals. Each party shall give notice to the other parties with respect to any meeting, discussion, appearance or contact with any Governmental Authority or the staff or regulators of any Governmental Authority, with such notice being sufficient to provide the other parties with the opportunity to attend and participate in such meeting, discussion, appearance or contact.

(f) Notwithstanding the foregoing, nothing in this Section 5.05 shall require, or be construed to require, Buyer or any of its Affiliates to agree to (i) sell, hold, divest, discontinue or limit, before or after the Closing Date, any assets, businesses or interests of Buyer, the Company or any of their respective Affiliates; (ii) any conditions relating to, or changes or restrictions in, the operations of any such assets, businesses or interests which, in either case, could reasonably be expected to result in a Material Adverse Effect or materially and adversely impact the economic or business benefits to Buyer of the transactions contemplated by this Agreement; or (iii) any material modification or waiver of the terms and conditions of this Agreement.

Section 5.06 Closing Conditions. From the date hereof until the Closing, each party hereto shall use reasonable best efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in Article VII hereof.

Section 5.07 Single Employer Plan Termination. The Company shall take all actions necessary to effectuate the termination of any Single Employer Plan that it sponsors, maintains or contributes to, or with respect to which any Liability under Title IV of ERISA could materialize or arise, including without limitation, (1) setting a termination date of no later than November 30, 2021; (2) amending any such Single Employer Plan to (a) reflect such termination date, (b) freeze benefit accruals as of a date no later than such termination date and (c) fully vest the accrued benefits of all “affected employees,” within the meaning of the Code, as of such termination date; (3) complying with all PBGC, ERISA and Code requirements necessary to effectuate such standard termination. Without in any way limiting the generality of the foregoing, the Company, as part of any standard termination described in the immediately preceding sentence, shall file a determination letter with the Internal Revenue Service with respect to the qualified status of the Single Employer Plan as of the termination date. Except as specifically required in this Section 5.07, the Company may take any required action subsequent to the Closing Date. Prior to the Closing the Seller shall estimate in a commercially reasonable manner any additional amounts that may be necessary to be paid into the Single Employee Plan to effectively terminate the plan (the “**Termination Payment**”). The Seller shall provide such calculations to the Buyer and in conjunction with the Closing shall demonstrate that the Company has reserved in cash or cash equivalents an amount equal to or in excess of the

Termination Payment which reserve shall be retained to the Company and used exclusively in connection with the termination of the Single Employee Plan.

Section 5.08 Employment Matters.

(a) The Company shall terminate all of its employees as of 11:59 p.m. (Eastern Time) on the Closing Date at its own costs and expenses, including making any severance or other required payments to its employees. On or before October 15, 2021, Buyer intends to offer to each employee of the Company listed in Section 5.08(a) of the Disclosure Schedules an “at will” position to be effective as of 12:00 a.m. (Eastern Time) on the first Business Day immediately following the Closing Date (the “**Hire Date**,” and each such employee who has accepted such offer of employment, shall be referred to as a “**Buyer Employee**”). All payments of compensation to a Buyer Employee shall be made in accordance with the standard payment policies and procedures of Buyer. Nothing contained in this Section 5.08, however, will prohibit Buyer from terminating at will the employment of any Buyer Employee for any reason or no reason following the Hire Date.

(b) Nothing in this Agreement shall in any way establish any requirements or create any other Liability from Buyer or any of its Affiliates to any employee of the Company or to any former or future employee of the Company (or any of their beneficiaries or dependents), including any duty, requirement, obligation or other Liability relating to continued employment, compensation, benefit plans, programs, policies and arrangements, and any other matter in connection with their employment. Further, neither Buyer nor any of its Affiliates shall be responsible for (i) any Liabilities arising out of or relating to the termination or resignation of any employee of the Company on or before the Hire Date; or (ii) any Liabilities relating to or resulting from the period on or before the Closing, including any such Liabilities arising out of or relating to the termination or resignation of any employee of the Company after the Closing Date.

Section 5.09 Financing.

(a) Buyer shall use its best commercially reasonable efforts to (i) obtain the financing for the Purchase Price to be available at Closing; (ii) take all steps necessary to secure such financing by the Closing; and (iii) provide periodic updates to the Company concerning its efforts.

(b) Upon request of the Buyer and except to the extent prohibited by applicable Law, the Company shall provide on a timely basis, and shall use all commercially reasonable efforts to cause its officers, employees, and advisors to provide on a timely basis, all reasonable cooperation and assistance to Buyer in connection with the arrangement of the financing contemplated by the Buyer in order to consummate the transactions contemplated hereby.

Section 5.10 Release.

(a) Effective upon the Closing, the Company, on behalf of the Company and its Affiliates and each of their respective assigns, heirs, beneficiaries, representatives and agents (collectively, the “**Seller Releasing Parties**”), hereby irrevocably and fully waives,

releases, acquits and discharges forever, Buyer and its respective Affiliates and each of their present and former direct or indirect partners, members and equityholders, and the officers, directors, partners, members, equityholders, managing directors, employees, principals, trustees, representatives, subsidiaries, predecessors, successors, assigns, beneficiaries, heirs, executors, insurers, attorneys and Affiliates of each of them (collectively, the “**Buyer Released Parties**”), from any and all Liabilities, Losses and causes of action of every kind and nature whatsoever, at law or in equity, whether known or unknown, that such Seller Releasing Parties, or any of them, may have had in the past, may now have or may have in the future against the Buyer Released Parties, or any of them, which relate to or arise out of the operations and activities of the Company or the Business or any of its Affiliates prior to or on the Closing Date (the “**Seller Claims**”), other than any claims arising out of this Agreement or in any other agreement, instrument, certificate or document delivered by or on behalf of Buyer to which such Seller Releasing Party is a party (collectively the “**Seller Excluded Claims**”).

(b) The Company (on behalf of itself and the other Seller Releasing Parties) hereby agrees not to institute any Action against any Buyer Released Party with respect to any of the Seller Claims released pursuant to this Section 5.10.

(c) The Company (on behalf of itself and the other Seller Releasing Parties) hereby represents to the Buyer Released Parties that (i) no Seller Releasing Party has assigned any Seller Claims, (ii) it (and they) fully intends to release all Seller Claims (other than the Seller Excluded Claims), and (iii) the Company has consulted with counsel with respect to the execution and delivery of this general release and has been fully apprised of the consequences hereof. The Company agrees and acknowledges that the release in this Section 5.10 constitutes a complete defense of any and all Seller Claims, other than Seller Excluded Claims.

(d) Effective upon the Closing, Buyer, on behalf of the Buyer and its Affiliates and each of their respective assigns, representatives and agents (collectively, the “**Buyer Releasing Parties**”), hereby irrevocably and fully waives, releases, acquits and discharges forever, Company and its respective Affiliates and each of their present and former direct or indirect partners, members and equityholders, and the officers, directors, partners, members, equityholders, managing directors, employees, principals, trustees, representatives, subsidiaries, predecessors, successors, assigns, beneficiaries, heirs, executors, insurers, attorneys and Affiliates of each of them (collectively, the “**Seller Released Parties**”), from any and all Liabilities, Losses and causes of action of every kind and nature whatsoever, at law or in equity, whether known or unknown, that such Buyer Releasing Parties, or any of them, may have had in the past, may now have or may have in the future against the Seller Released Parties, or any of them, which relate to or arise out of the operations and activities of the Company or the Business or any of its Affiliates prior to or on the Closing Date (the “**Buyer Claims**”), other than any claims arising out of this Agreement or in any other agreement, instrument, certificate or document delivered by or on behalf of Company to which such Buyer Releasing Party is a party (collectively the “**Buyer Excluded Claims**”).

(e) The Buyer (on behalf of itself and the other Buyer Releasing Parties) hereby agrees not to institute any Action against any Seller Released Party with respect to any of the Buyer Claims released pursuant to this Section 5.10.

(f) The Buyer (on behalf of itself and the other Buyer Releasing Parties) hereby represents to the Seller Released Parties that (i) no Buyer Releasing Party has assigned any Buyer Claims, (ii) it (and they) fully intends to release all Buyer Claims (other than the Buyer Excluded Claims), and (iii) the Buyer has consulted with counsel with respect to the execution and delivery of this general release and has been fully apprised of the consequences hereof. The Buyer agrees and acknowledges that the release in this Section 5.10 constitutes a complete defense of any and all Buyer Claims, other than Buyer Excluded Claims.

Section 5.11 Post-Closing Receipts. If after the Closing Date any Party receives any funds properly belonging to another Party in accordance with the terms of this Agreement, the receiving Party will promptly advise the other Party, will segregate and hold such funds in trust for the benefit of such other Party and will promptly deliver such funds, together with any interest earned thereon, to an account or accounts designated in writing by such other Party.

Section 5.12 Bulk Sales Laws. The Parties hereby waive compliance with the provisions of any Uniform Commercial Code or similar corporate (non-Tax) bulk sales, bulk transfer or similar Laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Purchased Assets to Buyer. It is understood that any Liabilities arising out of the failure of the Company to comply with the requirements and provisions of any such Laws which would not otherwise constitute Assumed Liabilities shall be treated as Excluded Liabilities, as will any Successor Taxes.

Section 5.13 Transfer Taxes. All Transfer Taxes shall be borne and paid by the Company when due. The Company shall, at its own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and Buyer shall cooperate with respect thereto as necessary).

Section 5.14 Company Existence. Following the consummation of the transactions contemplated by this Agreement, and during any period for which indemnity obligations apply to the Company hereunder, the Company shall remain a corporation duly organized, validly existing and in good standing under the Laws of the Commonwealth of Massachusetts with full corporate power and authority to perform its obligations hereunder. For a period of eighteen (18) months following the Closing Date, the Company shall maintain a net worth in cash, cash equivalents or marketable securities of not less than Four Million (\$4,000,000.00) Dollars; *provided* that the Company may elect, in its sole discretion, to reduce its net worth below Four Million (\$4,000,000.00) Dollars after the Closing Date so long as the Company notifies the Buyer of such election and David White executes the guaranty attached hereto as Exhibit B and delivers the same to the Buyer.

Section 5.15 Use of Name. From and after the Closing, the Company shall cease and refrain from using the name "Milford Water Company" (collectively with any other name, variation, combination or derivative likely to cause confusion therewith, the "**Restricted Names**") in any manner, for any purpose and/or in any geographic territory. In furtherance of the foregoing, within

fifteen (15) days after the Closing, the Company shall take all action necessary to change and/or cancel, revoke, terminate, nullify and/or delete any and all references to any Restricted Name in any and all of the Company's existing legal, registered, assumed, trade and/or "doing business as" name filings or registrations. From and after the Closing, the Company shall not, and shall cause its Affiliates not to, form or organize any corporation, partnership, joint venture, estate, trust, company, firm or other enterprise, association, organization, or entity that uses as, or incorporates as part of, its legal or trade name the words "Milford Water Company" or any analogous or derivative words. Notwithstanding, the Company may; (i) continue to use the name "Milford Water Company" to resolve any Excluded Liabilities, (ii) may use the name "Milford Water Company Pension Plan" to comply with Section 5.07; and (iii) may use the name "Milford Water Company" in connection with any Company Benefit Plan following the Closing during which time the Company sponsors the Benefit Plan; and (iv) may use the "Milford Water Company" in conjunction with any required tax filings.

Section 5.16 Dismissal of SJC Petition. So long as the Closing occurs as provided herein, within ten (10) calendar days after the Closing Date, the Buyer will voluntarily dismiss the SJC Petition without accepting the DPU Report. For the avoidance of doubt, if this Agreement is terminated prior to Closing, the Parties shall retain all rights, claims and/or defenses in regard to challenging the DPU Report and/or exercising their rights under the Company's charter through the passage of St. 1881, c. 77, as amended.

Section 5.17 Receivables/Unbilled Services. As of the Closing, the Company shall discontinue or otherwise terminate any recurring charges to any customer credit cards or debit cards accounts. From and after the Closing, if the Company receives or collects any funds relating to any accounts receivable incurred after the Closing Date or any other Purchased Asset, the Company shall remit such funds to Buyer within five (5) Business Days after its receipt thereof. From and after the Closing, if Buyer or any of its Affiliates receive or collect any funds relating to any Excluded Asset, Buyer or such Affiliate shall remit any such funds to the Company within five (5) Business Days after its receipt thereof. Following the Closing, the Buyer shall bill customers in the ordinary course of business.

Section 5.18 Tail Coverage. Company shall be responsible for all costs, expenses and fees required to obtain and maintain the policy described in Section 7.02(e)(xvi) in compliance with its terms and conditions for the entirety of the six (6) year claims period.

Section 5.19 Further Assurances. Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

Section 5.20 Prorations. The following shall be apportioned and adjusted between the Company and Buyer as of 11:59 p.m. (Eastern) on the Closing Date, except as otherwise specified:

- (a) Any real property taxes, storm water, sewer charges, assessments, elevator inspection charges and other like and similar municipal taxes and charges, each on the basis of the fiscal year or other period for which assessed, and apportioned upon the basis of the actual number of days in such year or period. If actual tax bills are not available, taxes shall

be apportioned based on the most recent tax bills available, with a post-Closing adjustment to be made as promptly as possible after tax bills for the fiscal year during which the Closing occurs become available. The term "real property taxes" shall include any installments of betterment, special or similar assessments, and taxes attributable to the gross receipts or rental income of the Real Property.

(b) Buyer shall arrange to have water, sewer and electric power services accounts become effective as of the Closing Date, and the Company shall arrange for such accounts in its name to be terminated as of 11:59 p.m. on the Closing Date, and each party shall be responsible for the payment of all charges to its own account. The Company shall be entitled to pursue the refund of any utility deposits it has made with respect to the Real Property. Buyer shall make any utility deposits that may be required in connection with Buyer's ownership and operation of the Real Property.

(c) Any prepaid amounts or deposits paid in relation to any Assigned Contract shall be apportioned based upon the actual number of days remaining pursuant to such Assigned Contract.

(d) If the Closing occurs before a new real property or other applicable tax rate or charge of a Governmental Entity is fixed, then the apportionment of such tax or charge at the Closing shall be based upon the tax rate for the immediately preceding fiscal period applied to the latest assessed valuation. Promptly after the new tax rate has been fixed, the apportionment of such tax or charge made at the Closing shall be recalculated and any reimbursement owed by Buyer to the Company or the Company to Buyer, as the case may be, shall be paid promptly after such recalculation.

(e) If any item covered by this Section 5.20 cannot be apportioned because the same has not been (or cannot be) fully ascertained on the Closing Date, or if any error has been made with respect to any apportionment, then such item shall be apportioned (or corrected, as applicable) as soon as the same is fully ascertained and shall be paid within twenty (20) days thereafter by the appropriate party. Any bills relating to the Real Property received after Closing related to the period prior to Closing, which have not been apportioned as provided above, shall be promptly paid by the Company to the extent applicable to the period prior to Closing. The obligations under this Section 5.20 shall survive the Closing through no later than June 30, 2022.

Section 5.21 Post-Closing Access. After the Closing Date, the Buyer shall cooperate, and shall promptly provide, or cause to be provided, to the Company any records or other information requested by the Company and its service providers in connection with any audit by the Internal Revenue Service or Pension Benefit Guarantee Corporation relating to the termination of the Company Pension Plan or Section 401(k) Plan.

ARTICLE VI TAX MATTERS

Section 6.01 Tax Indemnification. The Company shall indemnify the Buyer, and each Buyer Indemnitee and hold them harmless from and against (a) any Loss attributable to any breach

of any representation or warranty made in Section 3.21; (b) any Loss attributable to any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in this Article VI; (c) all Taxes of the Company or relating to the business of the Company for all Pre-Closing Tax Periods; (d) all Taxes of any member of an affiliated, consolidated, combined or unitary group of which the Company (or any predecessor of the Company) is or was a member on or prior to the Closing Date by reason of a liability under Treasury Regulation section 1.1502-6 or any comparable provisions of foreign, state or local Law; and (e) any and all Taxes of any person (other than the Company) imposed on the Company arising under the principles of transferee or successor liability or by contract, relating to an event or transaction occurring before the Closing.

Section 6.02 Allocation of Purchase Price. The Purchase Price (which solely for Tax purposes shall include the liabilities of the Company that are deemed to be assumed by Buyer) shall be allocated among the Purchased Assets and any restrictive covenants and is attached as Schedule 6.02 (“**Tax Allocation Statement**”). The Tax Allocation Statement is intended to comply with the requirements of Section 1060 of the Code and the applicable Treasury Regulations promulgated thereunder (and any similar provision of state, local or foreign Law, as appropriate), and has been prepared in accordance with the methodology set forth in Schedule 6.02. Buyer and the Company and their respective Affiliates shall report, act, and file all Tax Returns (including Internal Revenue Service Form 8594) in all respects and for all purposes consistent with the Tax Allocation Statement as well as any amendments to such Tax Returns required with respect to any adjustment to the Purchase Price. None of the Buyer, the Company or any of their respective Affiliates shall take any position (whether in audits, Tax Returns, Tax Proceedings, or otherwise) that is inconsistent with the information set forth on the Tax Allocation Statement, unless required to so do by applicable Law.

Section 6.03 Wage Reporting. Buyer and the Company agree to utilize, or cause their respective Affiliates to utilize, the standard procedure set forth in Revenue Procedure 2004-53 with respect to wage reporting.

Section 6.04 Straddle Period. In the case of Taxes that are payable with respect to a taxable period that includes (but does not end on) the Closing Date (each such period, a “**Straddle Period**”), the portion of any such Taxes relating to the Purchased Assets of the Business that are treated as Pre-Closing Taxes for purposes of this Agreement shall be:

(a) in the case of Taxes (i) based upon, or related to, income, receipts, profits, wages, capital or net worth, or (ii) imposed in connection with the sale, transfer or assignment of property, deemed equal to the amount which would be payable if the taxable year ended on the Closing Date; and

(b) in the case of other Taxes, deemed to be the amount of such Taxes for the entire period multiplied by a fraction the numerator of which is the number of days in the period ending on the Closing Date and the denominator of which is the number of days in the entire period.

Section 6.05 Tax Treatment of Indemnification Payments. Any indemnification payments pursuant to this Article VI shall be treated as an adjustment to the Purchase Price by the parties for Tax purposes, unless otherwise required by Law.

Section 6.06 FIRPTA Statement. On or prior to the Closing Date, the Company shall deliver to Buyer a certificate, dated as of the Closing Date, certifying to the effect that the Company is not a “foreign person” as such term is defined in Section 1445 of the Code (such certificate in the form required by Treasury Regulation section 1.1445-2(c)) (the “**FIRPTA Statement**”).

Section 6.07 Survival. Notwithstanding anything in this Agreement to the contrary, the provisions of Section 3.21 and this Article VI shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) plus sixty (60) days.

Section 6.08 Tax Returns Escrow. Prior to the Closing, the Company shall deposit copies of its 2018, 2019, and 2020 Tax Returns, and after the Closing, the Company shall deposit a copy of its 2021 Tax Return once filed (collectively, the “**Escrowed Tax Returns**”) with Fletcher Tilton PC to be held in escrow. If the Escrowed Tax Returns are amended or otherwise modified at any time, within 5 Business Days after filing with the Internal Revenue Service the Company shall deposit such amended or modified Tax Returns with Fletcher Tilton PC to be held in escrow and such amended or modified Tax Returns shall also be considered Escrowed Tax Returns hereunder. Fletcher Tilton PC shall hold each Escrowed Tax Return in escrow until the earlier of (a) delivery of such Escrowed Tax Return to the Buyer pursuant to this Section 6.08 or (b) the expiration of the statute of limitations applicable to such Escrowed Tax Return. Fletcher Tilton PC shall release any requested Escrowed Tax Returns to Buyer upon receipt by Fletcher Tilton PC, with a copy to the Company, of a written request specifying which Escrowed Tax Returns are required by Buyer for purposes of complying with requests of any Governmental Authority or any Governmental Order.

Section 6.09 Overlap. To the extent that any obligation or responsibility pursuant to Article VIII may overlap with an obligation or responsibility pursuant to this Article VI, the provisions of this Article VI shall govern.

ARTICLE VII CONDITIONS TO CLOSING

Section 7.01 Conditions to Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

(a) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.

(b) No Action shall have been commenced against Buyer or the Company, which would prevent the Closing.

(c) The Company shall have received all Consents from the Governmental Authorities referred to in Section 3.03 and Buyer shall have received all Consents from the Governmental Authorities referred to in Section 4.02, in each case, in form and substance

reasonably satisfactory to Buyer and the Company, and no such Consent shall have been revoked.

Section 7.02 Conditions to Obligations of Buyer. The obligations of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Buyer's waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the representations and warranties of the Company contained in Section 3.01, Section 3.02, Section 3.04, Section 3.06, Section 3.10, Section 3.16, Section 3.19, Section 3.22, and Section 3.23 (collectively, the "**Fundamental Representations**"), the representations and warranties of the Company contained in this Agreement, the Ancillary Documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of the Company contained in the Fundamental Representations and Section 3.21 shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).

(b) The Company shall have duly performed and complied with all agreements, covenants and conditions required by this Agreement and each of the Ancillary Documents to be performed or complied with by it prior to or on the Closing Date.

(c) From the date of this Agreement, there shall not have occurred any Material Adverse Effect, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could reasonably be expected to result in a Material Adverse Effect.

(d) Buyer shall have obtained financing in an amount sufficient to effect the Closing and otherwise on terms acceptable to Buyer in its sole discretion.

(e) Closing Deliveries by the Company. The Company shall have delivered to the Buyer each of the following:

(i) A bill of sale in a form reasonably satisfactory to Buyer (the "**Bill of Sale**"), duly executed by the Company;

(ii) An assignment and assumption agreement in a form reasonably satisfactory to Buyer (the "**Assignment and Assumption Agreement**"), duly executed by the Company;

(iii) DELETED;

(iv) A lease assignment agreement in a form reasonably satisfactory to Buyer (the “**Lease Assignment**”), duly executed by the Company and, as necessary, the lessor of the relevant lease for each Assigned Lease;

(v) DELETED;

(vi) The keys, combinations and codes to all locks and security devices to the Real Property, and, as applicable, access credentials for any and all Transferred Intellectual Property;

(vii) Evidence of the satisfaction of all payment obligations for Transaction Expenses and Indebtedness of the Company outstanding as of the Closing Date (including any interest, prepayment premiums or penalties and other fees and charges) or evidence of the arrangement of the Company to satisfy such payment obligations on the Closing Date pursuant to the terms of this Agreement, including true, correct and complete invoices or releases reflecting all Transaction Expenses and payoff letters or similar releases with respect to such Indebtedness, and the release of any Encumbrances on the properties and assets of the Company and the termination of all UCC financing statements which have been filed with respect to such Indebtedness;

(viii) Evidence that the notices to and Consents of, as applicable, the Governmental Authorities and other Persons set forth on Section 3.03 of the Disclosure Schedules shall have been delivered, received or obtained, as applicable;

(ix) a certificate, dated the Closing Date and signed by a duly authorized officer of the Company, that each of the conditions set forth in Section 7.02(a) and Section 7.02(b) have been satisfied;

(x) a certificate of the Secretary or Assistant Secretary (or equivalent officer) of the Company certifying that: (1) attached thereto are true and complete copies of: (A) all resolutions adopted by the Company’s board of directors and Shareholders authorizing the execution, delivery, and performance of this Agreement and the Ancillary Documents and the consummation of the transactions contemplated hereby and thereby; (B) the Articles of Organization (together with any and all amendments thereto) of the Company, certified by the Secretary of the Commonwealth of Massachusetts; and (C) the bylaws (together with any and all amendments thereto) of the Company; and (2) all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby and that no amendments have been made to such Articles of Organization or bylaws except as provided in such attachments;

(xi) a certificate of the Secretary or Assistant Secretary (or equivalent officer) of the Company certifying the names and signatures of the officers of the Company authorized to sign this Agreement, the Ancillary Documents and the other documents to be delivered hereunder and thereunder;

(xii) a good standing certificate for the Company from the Secretary of the Commonwealth of Massachusetts;

(xiii) at least two (2) Business Days prior to the Closing, the Closing Transaction Expenses Certificate;

(xiv) at least two (2) Business Days prior to the Closing, the Closing Indebtedness Certificate;

(xv) a FIRPTA Statement from the Company;

(xvi) evidence to the satisfaction of Buyer that the Company has obtained an extended reporting period on its general liability insurance policy with a claims period of six (6) years from the Closing Date, at least the same coverage and amounts, and containing terms and conditions that are not less advantageous to the Company and its employees as the policy in effect immediately prior to the Closing (but in no event with coverage, amounts, terms or conditions that are less advantageous than those contained in commercially customary policies for the industry applicable to the Business), with respect to claims arising out of or relating to events which occurred on or prior to the Closing Date (including in connection with the transactions contemplated by this Agreement) to the extent reasonably available to the Company; and

(xvii) such other bills of sale, deeds, assignments, certificates of title, and other documents or instruments of transfer as Buyer reasonably requests and are reasonably necessary to convey to Buyer all of the Company's right, title and interest in the Purchased Assets, free and clear of all Encumbrances and to consummate the transactions contemplated by this Agreement and the other agreements, instruments, certificates and documents contemplated hereby.

(f) All Permits necessary to operate the Company as a division of the Town shall have been obtained or transferred, as applicable.

(g) All salary advances made to employees of the Company shall have been repaid to the Company by such employees.

(h) The Company shall have complied fully with the requirements of Section 5.07 hereof, except for such requirements of ERISA and/or the Code that must be completed following December 31, 2021, and provide evidence of the same to the Buyer.

(i) The Buyer, in its reasonable discretion, shall determine prior to October 29, 2021, that the Buyer is satisfied with the results of its due diligence review. Section 7.02(i) shall be deemed waived if Buyer has not terminated this Agreement due to Buyer's dissatisfaction with its diligence before October 29, 2021.

Section 7.03 Conditions to Obligations of the Company. The obligations of the Company to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Company's waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the representations and warranties of Buyer contained in Section 4.01, the representations and warranties of Buyer contained in this Agreement, the Ancillary Documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Buyer contained in Section 4.01 shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date.

(b) Buyer shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the Ancillary Documents to be performed or complied with by it prior to or on the Closing Date; *provided*, that, with respect to agreements, covenants and conditions that are qualified by materiality, Buyer shall have performed such agreements, covenants and conditions, as so qualified, in all respects.

(c) The Ancillary Documents shall have been executed and delivered by the parties thereto and true and complete copies thereof shall have been delivered to the Company.

(d) Buyer shall have delivered to the Company cash in an amount equal to the Closing Date Payment by wire transfer of immediately available funds, to an account or accounts designated at least two (2) Business Days prior to the Closing Date by the Company in a written notice to Buyer.

(e) Buyer shall have delivered to third parties by wire transfer of immediately available funds that amount of money due and owing from the Company to such third parties as Transaction Expenses as set forth on the Closing Transaction Expenses Certificate.

(f) Buyer shall have delivered to holders of outstanding Indebtedness, if any, by wire transfer of immediately available funds that amount of money due and owing from the Company to such holder of outstanding Indebtedness as set forth on the Closing Indebtedness Certificate.

(g) Closing Deliveries of Buyer. At the Closing (or such earlier date if specified below), Buyer shall deliver the following items to the Company, each in form and substance satisfactory to the Company:

- (i) Intentionally Omitted;
- (ii) The Bill of Sale, duly executed by Buyer;
- (iii) The Assignment and Assumption Agreement, duly executed by Buyer;

- (iv) The IP Assignments, duly executed by Buyer;
- (v) The Lease Assignments, duly executed by Buyer;
- (vi) a certificate, dated the Closing Date and signed by a duly authorized officer of Buyer, that each of the conditions set forth in Section 7.03(a) and Section 7.03(b) have been satisfied;
- (vii) a certificate of the Town Administrator of Buyer certifying that (1) attached thereto are true and complete copies of all resolutions adopted by the duly organized Town Meeting for the Town of Milford and the Select Board of Buyer authorizing the execution, delivery and performance of this Agreement and the Ancillary Documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby, and (2) certifying the names and signatures of the officers of Buyer authorized to sign this Agreement, the Ancillary Documents and the other documents to be delivered hereunder and thereunder; and
- (viii) such other documents or instruments as the Company reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

ARTICLE VIII INDEMNIFICATION

Section 8.01 Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein (other than any representations or warranties contained in Section 3.21 which are subject to Article VI) shall survive the Closing and shall remain in full force and effect until the date that is twelve (12) months from the Closing Date; *provided*, that (a) the Fundamental Representations and the representations and warranties in Section 4.01 shall survive indefinitely. All covenants, agreements and Liabilities under Section 5.07 and all covenants and agreements of the parties contained herein (other than any covenants or agreements contained in Article VI which are subject to Article VI) shall survive the Closing indefinitely or for the period explicitly specified therein. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the Indemnified Party to the Indemnifying Party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved.

Section 8.02 Indemnification By Company. Subject to the other terms and conditions of this Article VIII, the Company shall indemnify and defend each of Buyer and its Affiliates and their respective Representatives (collectively, the “**Buyer Indemnitees**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Buyer Indemnitees based upon, arising out of, with respect to or by reason of:

(a) any breach of any of the representations or warranties of the Company contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Company pursuant to this Agreement (other than in respect of Section 3.21, it being understood that the sole remedy for any such breach thereof shall be pursuant to Article VI), as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the breach of which will be determined with reference to such specified date);

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Company pursuant to this Agreement (other than any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in Article VI, it being understood that the sole remedy for any such breach, violation or failure shall be pursuant to Article VI);

(c) any Transaction Expenses or Indebtedness of the Company outstanding as of the Closing to the extent not paid or satisfied by the Company at or prior to the Closing, or if paid by Buyer at or prior to the Closing, to the extent not deducted from the Purchase Price in the determination of the Closing Date Payment; or

(d) any and all Excluded Liabilities.

Section 8.03 Indemnification By Buyer. Subject to the other terms and conditions of this Article VIII, Buyer shall indemnify and defend the Company and its Affiliates and their respective Representatives (collectively, the “**Seller Indemnitees**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Seller Indemnitees based upon, arising out of, with respect to or by reason of:

(a) any breach of any of the representations or warranties of Buyer contained in this Agreement or in any certificate or instrument delivered by or on behalf of Buyer pursuant to this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the breach of which will be determined with reference to such specified date);

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Buyer pursuant to this Agreement (other than Article VI, it being understood that the sole remedy for any such breach thereof shall be pursuant to Article VI); or

(c) any and all Assumed Liabilities.

Section 8.04 Certain Limitations. The indemnification provided for in Section 8.02 and Section 8.03 shall be subject to the following limitations:

(a) Intentionally Omitted.

(b) The Company shall not be liable to the Buyer Indemnitees for indemnification under Section 8.02 until the aggregate amount of all Losses in respect of indemnification under Section 8.02 exceeds 0.75% of the Purchase Price (the “Basket”), in which event the Company shall be required to pay or be liable for all such Losses from the first dollar.

(c) Buyer shall not be liable to the Seller Indemnitees for indemnification under Section 8.03 until the aggregate amount of all Losses in respect of indemnification under Section 8.03 exceeds the Basket, in which event Buyer shall be required to pay or be liable for all such Losses from the first dollar.

(d) The aggregate amount of all Losses for which either the Company or the Buyer shall be liable pursuant to Section 8.02 or Section 8.03, respectively, shall not exceed an amount equal to Four Million (\$4,000,000.00) Dollars.

(e) Notwithstanding the foregoing, the limitations set forth in Section 8.04(b) through (d) shall not apply to Losses based upon, arising out of, with respect to or by reason of (i) the Fundamental Representations and (ii) any party’s fraudulent, criminal or intentional misconduct.

Section 8.05 Indemnification Procedures. The party making a claim under this Article VIII is referred to as the “**Indemnified Party**”, and the party against whom such claims are asserted under this Article VIII is referred to as the “**Indemnifying Party**”.

(a) **Third Party Claims.** If any Indemnified Party receives notice of the assertion or commencement of any Action made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a “**Third Party Claim**”) against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than thirty (30) calendar days after receipt of such notice of such Third Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnified Party shall describe the Third Party Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defense of any Third Party Claim at the Indemnifying Party’s expense and by the Indemnifying Party’s own counsel, and the Indemnified Party shall cooperate in good faith in such defense; *provided*, that if the Indemnifying Party is the Company, such Indemnifying Party shall not have the right to defend or direct the defense of any such Third Party Claim that (x) is asserted directly by or on behalf of a Person that is a supplier or customer of the Business, or (y) seeks an injunction or other equitable relief against the Indemnified Party. In the event that the Indemnifying Party assumes the defense of any Third Party Claim, subject to Section 8.05(b), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make

counterclaims pertaining to any such Third Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party shall have the right to participate in the defense of any Third Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defense thereof. The fees and disbursements of such counsel shall be at the expense of the Indemnified Party, *provided*, that if in the reasonable opinion of counsel to the Indemnified Party, (A) there are legal defenses available to an Indemnified Party that are different from or additional to those available to the Indemnifying Party; or (B) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnified Party in each jurisdiction for which the Indemnified Party determines counsel is required. If the Indemnifying Party elects not to compromise or defend such Third Party Claim, fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement, or fails to diligently prosecute the defense of such Third Party Claim, the Indemnified Party may, subject to Section 8.05(b), pay, compromise, defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim. The Company and Buyer shall cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim, including making available records relating to such Third Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third Party Claim.

(b) **Settlement of Third Party Claims.** Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third Party Claim without the prior written consent of the Indemnified Party, except as provided in this Section 8.05(b). If a firm offer is made to settle a Third Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within ten (10) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third Party Claim, the Indemnifying Party may settle the Third Party Claim upon the terms set forth in such firm offer to settle such Third Party Claim. If the Indemnified Party has assumed the defense pursuant to Section 8.05(a), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

(c) **Direct Claims.** Any Action by an Indemnified Party on account of a Loss which does not result from a Third Party Claim (a "**Direct Claim**") shall be asserted by the Indemnified Party giving the Indemnifying Party reasonably prompt written notice thereof, but in all events not later than thirty (30) days after the Indemnified Party becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the

extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have thirty (30) days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Company's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such thirty (30) day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

(d) **Tax Claims.** Notwithstanding any other provision of this Agreement, the control of any claim, assertion, event or proceeding in respect of Taxes of the Company (including, but not limited to, any such claim in respect of a breach of the representations and warranties in Section 3.21 hereof or any breach or violation of or failure to fully perform any covenant, agreement, undertaking or obligation in Article VI) shall be governed exclusively by Article VI hereof.

Section 8.06 Payments.

(a) Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable pursuant to this Article VIII, the Indemnifying Party shall satisfy its obligations within ten (10) Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. The Parties hereto agree that should an Indemnifying Party not make full payment of any such obligations within such ten (10) Business Day period, any amount payable shall accrue interest from and including the date of agreement of the Indemnifying Party or final, non-appealable adjudication to and including the date such payment has been made at a rate per annum equal to two percent (2%). Such interest is in lieu of any other claims for interest in any manner, including statutory interest, shall be calculated daily on the basis of a 365-day year and the actual number of days elapsed, without compounding.

(b) Any Losses payable to a Buyer Indemnitee pursuant to this Article VIII shall be satisfied by the Company.

Section 8.07 Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Law.

Section 8.08 Effect of Investigation. The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) or by reason of the fact that the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Party's waiver of any condition set forth in Section 7.02 or Section 7.03, as the case may be.

Section 8.09 Exclusive Remedies. Subject to Section 10.11, the Parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity or willful misconduct on the part of a Party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in Article VI and this Article VIII. In furtherance of the foregoing, each Party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except pursuant to the indemnification provisions set forth in Article VI and this Article VIII. Nothing in this Section 8.09 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any party's fraudulent, criminal or intentional misconduct.

ARTICLE IX TERMINATION

Section 9.01 Termination. This Agreement may be terminated at any time prior to the Closing:

- (a) by the mutual written consent of the Company and Buyer;
- (b) by Buyer by written notice to the Company if:
 - (i) Buyer is not then in material breach of any provision of this Agreement and there has been a breach, or failure to perform any representation, warranty, covenant or agreement made by the Company pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article VII and such breach or failure has not been cured by the Company within ten (10) days of the Company's receipt of written notice of such breach from Buyer;
 - (ii) The condition set forth in Section 7.02(i) shall not have been completed to the satisfaction of Buyer on or before October 29, 2021;
 - (iii) The condition set forth in Section 7.02(d) shall not have been completed on or before December 3, 2021; or

(iv) The conditions set forth in Section 7.01 or Section 7.02 shall not have been fulfilled by December 8, 2021, unless such failure shall be due to the failure of Buyer to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing, *provided* that if Buyer's failure to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing is caused by an action or omission of the Company, Buyer shall be entitled to terminate this Agreement in accordance with this Section 9.01(b)(ii);

(c) by the Company by written notice to Buyer if:

(i) The Company is not then in material breach of any provision of this Agreement and there has been a breach or failure to perform any representation, warranty, covenant or agreement made by Buyer pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article VII and such breach or failure has not been cured by Buyer within ten (10) days of Buyer's receipt of written notice of such breach from the Company; or

(ii) any of the conditions set forth in Section 7.01 or Section 7.03 shall not have been fulfilled by December 8, 2021, unless such failure shall be due to the failure of the Company to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing, *provided* that if the Company's failure to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing is caused by an action or omission of the Buyer, the Company shall be entitled to terminate this Agreement in accordance with this Section 9.01(c)(b)(ii); or

(d) by Buyer or the Company in the event that (i) there shall be any Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited or (ii) any Governmental Authority shall have issued a Governmental Order restraining or enjoining the transactions contemplated by this Agreement, and such Governmental Order shall have become final and non-appealable.

Section 9.02 Effect of Termination. In the event of the termination of this Agreement in accordance with this Article, this Agreement shall forthwith become void and there shall be no liability on the part of any Party hereto except:

(a) as set forth in this Article IX and Article X hereof; and

(b) that nothing herein shall relieve any Party hereto from liability for any willful breach of any provision hereof.

ARTICLE X MISCELLANEOUS

Section 10.01 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses, whether or not the Closing shall have occurred. In no event shall Buyer bear any costs or expenses of Transaction Expenses.

Section 10.02 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 10.02):

If to Company (before the Closing): Milford Water Company
66 Dilla Street
Milford, MA 01757
E-mail: dcondrey@milfordwater.com
Attention: David L. Condrey, Manager
Attention: David H. White, President of Milford
Water Company

If to Company (after the Closing): R.H. White Companies, Inc.
41 Central Street
Auburn, MA 01510
E-mail: DWhite@RHWhite.com
Attention: David H. White, President

In either case, with a copy to: Keegan Werlin LLP
99 High Street, Boston, MA 02110
E-mail: jbonsall@keeganwerlin.com
Attention: Jon Bonsall

and

Fletcher Tilton PC
370 Main Street, 11th Floor

Worcester, MA 01608

E-mail : mdonahue@fletcherilton.com

Attention : Mark L. Donahue, Esquire

If to Buyer:

Town of Milford

52 Main Street, Milford, MA 01757

E-mail: cboddy@townofmilford.com

Attention: Charles Boddy, Town Counsel

with a copy to:

Womble Bond Dickinson (US) LLP

470 Atlantic Avenue, Suite 600

Boston, MA 02210

E-mail: jed.nosal@wbd-us.com

Attention: Jed Nosal

Section 10.03 Interpretation. For purposes of this Agreement, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Disclosure Schedules and Exhibits mean the Articles and Sections of, and Disclosure Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Disclosure Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

Section 10.04 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 10.05 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 10.06 Entire Agreement. This Agreement and the Ancillary Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject

matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the Ancillary Documents, the Exhibits and Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

Section 10.07 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No Party may assign its rights or obligations hereunder without the prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning Party of any of its obligations hereunder.

Section 10.08 No Third-Party Beneficiaries. Except as provided in Article VIII, this Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 10.09 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by the Buyer and the Company. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 10.10 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts without giving effect to any choice or conflict of law provision or rule (whether of the Commonwealth of Massachusetts or any other jurisdiction).

(b) ANY ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE ANCILLARY DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY MAY BE INSTITUTED IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA OR THE COURTS OF THE COMMONWEALTH OF MASSACHUSETTS IN EACH CASE LOCATED IN THE CITY OF WORCESTER AND COUNTY OF WORCESTER, AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS IN ANY SUCH ACTION. SERVICE OF PROCESS, SUMMONS, NOTICE OR OTHER DOCUMENT BY MAIL TO SUCH PARTY'S ADDRESS SET FORTH HEREIN SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY ACTION BROUGHT IN ANY SUCH COURT. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY

WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION IN SUCH COURTS AND IRREVOCABLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE ANCILLARY DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE ANCILLARY DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS Section 10.10(c).

Section 10.11 Specific Performance. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity. The parties hereto further agree that neither any party nor any other Person shall be required to obtain, furnish or post any bond or similar instrument in connection with or as a condition to obtaining any remedy referred to in this Section 10.11, and each party irrevocably waives any right it may have to require the obtaining, furnishing or posting of any such bond or similar instrument.

Section 10.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

COMPANY:

Milford Water Company

By: 

Name: David H. White

Title: President

BUYER:

Town of Milford

By: 

Name: MICHAEL WALSH

Title: SELECT BOARD MEMBER

By: 

Name: THOMAS O'LOUGHLIN

Title: SELECTMAN

By: 

Name: Paul A. Mazzuchelli

Title: Selectman

Solely for purposes of Section 6.08:

Fletcher Tilton PC


By: 
Name: MARK L DONAHUE
Title: DIRECTOR

Exhibit A
Defined Terms

The following terms have the meanings specified or referred to in this Article I:

“2021 Capital Expenditures” means the costs incurred by the Company in performing any capital expenditures in calendar year 2021 pursuant to the Capital Expenditure Plan.

“Accounts Receivable” means all accounts or notes receivable held by Company and any security, claim, remedy or other right related to any of the foregoing.

“Acquisition Proposal” means any inquiry, proposal or offer from any Person (other than Buyer or any of its Affiliates) concerning (i) a merger, consolidation, liquidation, recapitalization, share exchange or other business combination transaction involving the Company; (ii) the issuance or acquisition of shares of capital stock or other equity securities of the Company; or (iii) the sale, lease, exchange or other disposition of any significant portion of the Company’s properties or assets.

“Action” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity.

“Adjustment Statement” has the meaning set forth in Section 2.06(a).

“Affiliate” of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Agreement” has the meaning set forth in the preamble.

“Ancillary Documents” means the documents, certificates, agreements and instruments contemplated by this Agreement or any of the foregoing.

“Audited Financial Statements” has the meaning set forth in Section 3.06.

“Balance Sheet” has the meaning set forth in Section 3.06.

“Balance Sheet Date” has the meaning set forth in Section 3.06.

“Basket” has the meaning set forth in Section 8.04(b).

“Benefit Plan” means any pension, benefit, retirement, compensation, employment, consulting, profit-sharing, deferred compensation, incentive, bonus, performance award, phantom equity, stock or stock-based, change in control, retention, severance, vacation, paid time off (PTO), medical, vision, dental, disability, welfare, Code section 125 cafeteria, fringe benefit and other similar agreement, plan, policy, program or arrangement, in each case whether or not reduced to

writing and whether funded or unfunded, including without limitation, each “employee benefit plan” within the meaning of section 3(3) of ERISA, whether or not tax-qualified and whether or not subject to ERISA, which is maintained, sponsored, contributed to, or required to be contributed to by the Company for the benefit of any current or former employee, officer, director, retiree, independent contractor or consultant of the Company or any spouse or dependent of such individual, or with respect to which the Company or any of its ERISA Affiliates has or may have any Liability, or with respect to which Buyer or any of its Affiliates would reasonably be expected to have any Liability, contingent or otherwise.

“**Books and Records**” shall mean business records (in any form or medium), including all books, ledgers, files, reports, plans, records, manuals, sales and credit records, books of account, invoices, supplier lists, billing records, engineering records, drawings, blueprints, schematics, studies, surveys, reports, advertising and sales material, customer lists, customer records, test records and personnel and payroll records, but excluding all corporate or organizational records and minute books (including without limitation any records relative to the identity of any shareholder in any manner); *provided* that in the case of the financial books of account, such term shall mean copies of same, but at the Company’s election shall not include the originals of same.

“**Business Day**” means any day except Saturday, Sunday or any other day on which commercial banks located in Boston, Massachusetts are authorized or required by Law to be closed for business.

“**Buyer**” has the meaning set forth in the preamble.

“**Buyer Employee**” has the meaning set forth in Section 5.08(a).

“**Buyer Indemnitees**” has the meaning set forth in Section 8.02.

“**Capital Expenditure Plan**” means the plans of the Company to make capital expenditures prior to and after the Closing (including the expected timing for such expenditures) set forth in Section 1(a) of the Disclosure Schedules.

“**Cash**” means, with respect to the Company and as of a given date, any cash on hand, cash in bank or other accounts of the Company, readily marketable securities, and other cash-equivalent liquid assets of any nature as of such date. For avoidance of doubt, Cash shall (i) include checks, wires and drafts deposited for the account of the Company but not yet reflected as available proceeds in the Company’s accounts and (ii) exclude (A) any Cash that is the subject of checks or payments written and uncleared, (B) any restricted cash held by the Company, and (C) any “restricted” cash that has or will be funded to a payroll account on or prior to the Closing Date for the purpose of paying accrued and unpaid compensation Liabilities and related Liabilities in favor of employees.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.

“**Closing**” has the meaning set forth in Section 2.08.

“Closing Date” has the meaning set forth in Section 2.08.

“Closing Date Payment” means an amount equal to the Purchase Price, minus (a) outstanding Indebtedness of the Company as of the open of business on the Closing Date and (b) unpaid Transaction Expenses of the Company as of the open of business on the Closing Date.

“Closing Indebtedness Certificate” means a certificate executed by the Treasurer of the Company certifying on behalf of the Company an itemized list of all outstanding Indebtedness as of the open of business on the Closing Date and the Person to whom such outstanding Indebtedness is owed and an aggregate total of such outstanding Indebtedness.

“Closing Transaction Expenses Certificate” means a certificate executed by the Treasurer of the Company, certifying the amount of Transaction Expenses remaining unpaid as of the open of business on the Closing Date (including an itemized list of each such unpaid Transaction Expense with a description of the nature of such expense and the Person to whom such expense is owed).

“Code” means the Internal Revenue Code of 1986, as amended.

“Company” has the meaning set forth in the preamble.

“Company Charter Documents” has the meaning set forth in Section 3.03.

“Company Intellectual Property” means all Intellectual Property that is owned or held for use by the Company.

“Company IP Agreements” means all licenses, sublicenses, consent to use agreements, settlements, coexistence agreements, covenants not to sue, waivers, releases, permissions and other Contracts (including any right to receive or obligation to pay royalties or any other consideration), whether written or oral, relating to Intellectual Property to which the Company is a party, beneficiary or otherwise bound.

“Company IP Registrations” means all Company Intellectual Property that is subject to any issuance, registration, application or other filing by, to or with any Governmental Authority or authorized private registrar in any jurisdiction, including issued and reissued patents, registered trademarks, domain names and copyrights, and pending applications for any of the foregoing.

“Consent” means any approval, consent, ratification, novation, waiver, exemption or other authorization.

“Contracts” means all contracts, leases, deeds, mortgages, licenses, easements, entitlements, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments and legally binding arrangements, whether written or oral.

“Deficit Amount” has the meaning set forth in Section 2.06(c).

“Direct Claim” has the meaning set forth in Section 8.05(c).

“Disclosure Schedules” means the Disclosure Schedules delivered by the Company and the Buyer concurrently with the execution and delivery of this Agreement.

“Dollars or \$” means the lawful currency of the United States.

“DPU” means the Department of Public Utilities of the Commonwealth of Massachusetts.

“DPU Report” means the *Report and Determination of the Department of Public Utilities*, D.P.U. 18-60 pursuant to the appointment by the Supreme Judicial Court according to St. 1881, c. 77, filed with the Supreme Judicial Court by the DPU on February 26, 2021.

“Encumbrance” means any charge, claim, community property interest, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

“Environmental Attributes” means any emissions and renewable energy credits, energy conservation credits, benefits, offsets and allowances, emission reduction credits or words of similar import or regulatory effect (including emissions reduction credits or allowances under all applicable emission trading, compliance or budget programs, or any other federal, state or regional emission, renewable energy or energy conservation trading or budget program) that have been held, allocated to or acquired for the development, construction, ownership, lease, operation, use or maintenance of the Company as of: (i) the date of this Agreement; and (ii) future years for which allocations have been established and are in effect as of the date of this Agreement.

“Environmental Claim” means any Action, Governmental Order, lien, fine, penalty, or, as to each, any settlement or judgment arising therefrom, by or from any Person alleging liability of whatever kind or nature (including liability or responsibility for the costs of enforcement proceedings, investigations, cleanup, governmental response, removal or remediation, natural resources damages, property damages, personal injuries, medical monitoring, penalties, contribution, indemnification and injunctive relief) arising out of, based on or resulting from: (a) the presence, Release of, or exposure to, any Hazardous Materials; or (b) any actual or alleged non-compliance with any Environmental Law or term or condition of any Environmental Permit.

“Environmental Law” means any applicable Law, and any Governmental Order or binding agreement with any Governmental Authority: (a) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (b) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials. The term “Environmental Law” includes, without limitation, the following (including their implementing regulations and any state analogs): CERCLA; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 et seq.; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 et seq.; the

Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 et seq.; and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §§ 651 et seq.

“Environmental Notice” means any written directive, notice of violation or infraction, or notice respecting any Environmental Claim relating to actual or alleged non-compliance with any Environmental Law or any term or condition of any Environmental Permit.

“Environmental Permit” means any Permit, letter, clearance, Consent, closure, decision or other action required under or issued, granted, given, authorized by or made pursuant to Environmental Law.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

“ERISA Affiliate” means all employers (whether or not incorporated) that would be, or at any time or during the immediately preceding six (6) years has been, treated together with the Company or any of its Affiliates as a “single employer” within the meaning of section 414 of the Code or section 4001 of ERISA.

“Final Adjustment Amount” has the meaning set forth in Section 2.06(b).

“Financial Statements” has the meaning set forth in Section 3.06(a).

“FIRPTA Statement” has the meaning set forth in Section 6.06.

“Fundamental Representations” has the meaning set forth in Section 7.02(a).

“GAAP” means United States generally accepted accounting principles in effect from time to time.

“Governmental Authority” means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court or tribunal of competent jurisdiction.

“Governmental Order” means any order, writ, judgment, injunction, decree, stipulation, determination, award, Permit, or approval entered by or with any Governmental Authority.

“Hazardous Materials” means: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, mineral or gas, in each case, whether naturally occurring or manmade, that is hazardous, acutely hazardous, toxic, or words of similar import or regulatory effect under Environmental Laws; and (b) any petroleum or petroleum-derived products, radon, radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea formaldehyde foam insulation, and polychlorinated biphenyls.

“Hire Date” has the meaning set forth in Section 5.08(a).

“Indebtedness” means, without duplication and with respect to the Company, all (a) indebtedness for borrowed money; (b) obligations for the deferred purchase price of property or services, (c) long or short-term obligations evidenced by notes, bonds, debentures or other similar instruments; (d) obligations under any interest rate, currency swap or other hedging agreement or arrangement; (e) capital lease obligations; (f) reimbursement obligations under any letter of credit, banker’s acceptance or similar credit transactions; (g) all incurred but unpaid obligations related to executive salary and benefits; (h) any and all liability under or with respect to any Benefit Plan, including without limitation, any liability pursuant to sections 4062, 4063, 4064, 4069 and/or 4201 et seq. of ERISA; (i) guarantees made by the Company on behalf of any third party in respect of obligations of the kind referred to in the foregoing clauses (a) through (h); and (j) any unpaid interest, prepayment penalties, premiums, costs and fees that would arise or become due as a result of the prepayment of any of the obligations referred to in the foregoing clauses (a) through (i).

“Indemnified Party” has the meaning set forth in Section 8.05.

“Indemnifying Party” has the meaning set forth in Section 8.05.

“Independent Accountant” means an independent accounting firm of nationally or regionally recognized standing mutually agreed upon by Buyer and the Company.

“Insurance Policies” has the meaning set forth in Section 3.15.

“Intellectual Property” means all information, materials and other subject matter that are covered by, or are embodiments of, Intellectual Property Rights, including, by way of example, proprietary business methods and other inventions, works of authorship, artistic works and other subject matter that are covered by copyrights, trademarks, service marks, logos, domain names, and all information subject to protection as trade secrets. For avoidance of doubt, without limiting the foregoing, Intellectual Property includes algorithms, formulae, protocols, software code (in any format, including source code and executable formats), software documentation, books and reports, marketing and advertising content, audiovisual works, websites, system architectures and configurations, database schemas, non-public data, and all electronic and digital records or any kind.

“Intellectual Property Rights” are the exclusive rights held by the owner of a copyright, patent, trademark, or trade secret, including (i) the rights to copy, public perform, public display, distribute, adapt, translate, modify and create derivative works of copyrighted subject matter; (ii) the rights to preclude another from using, making, having made, selling, offering to sell, and importing patented subject matter and the right to preclude another from practicing patented methods, (iii) the rights to use and display any marks in association with businesses, products or services as an indication of ownership, origin, affiliation, or sponsorship; (iv) rights in any domain name registration; and (v) the rights to apply for any of the foregoing rights, and all rights in those applications. Intellectual Property Rights also include any and all rights associated with particular information that are granted by Law and that give the owner, independent of contract, exclusive authority to control use or disclosure of the information, including privacy rights and any rights in databases recognized by applicable Law.

“Interim Balance Sheet” has the meaning set forth in Section 3.06(a).

“Interim Balance Sheet Date” has the meaning set forth in Section 3.06(a).

“Interim Financial Statements” has the meaning set forth in Section 3.06(a).

“Knowledge of Sellers or Sellers’ Knowledge” or any other similar knowledge qualification, means the actual or constructive knowledge of the directors, officers and Manager of the Company, after due inquiry.

“Law” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

“Liability” means any liability, obligation, or commitment of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise.

“Losses” means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys’ fees and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; *provided*, however, that **“Losses”** shall not include punitive damages, except to the extent actually awarded to a Governmental Authority or other third party.

“Manager” means the manager of the Company, who is currently David L. Condrey.

“Material Adverse Effect” means any event, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to (a) the business, results of operations, prospects, condition (financial or otherwise) or assets of the Company, or (b) the ability of the Company to consummate the transactions contemplated hereby on a timely basis; *provided*, however, that **“Material Adverse Effect”** shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to: (i) general economic or political conditions; (ii) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof; (iii) any action required or permitted by this Agreement, except pursuant to Section 3.03 and Section 5.05; or (iv) any changes in applicable Laws or accounting rules, including GAAP; *provided* further, however, that any event, occurrence, fact, condition or change referred to in clauses (i) through (iv) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or could reasonably be expected to occur to the extent that such event, occurrence, fact, condition or change has a disproportionate effect on the Company compared to other participants in the industries in which the Company conducts its businesses.

“Material Contractors” has the meaning set forth in Section 3.14(b).

“Material Suppliers” has the meaning set forth in Section 3.14(a).

“MEWA” means a “multiple employer welfare arrangement” (as defined in section 3(40) of ERISA).

“Multiemployer Plan” has the meaning set forth in Section 3.19(a).

“PBGC” means the Pension Benefit Guaranty Corporation.

“Permits” means all permits, licenses, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.

“Permitted Encumbrances” has the meaning set forth in Section 3.10(a).

“Person” means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

“Post-Closing Tax Period” means any taxable period beginning after the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period beginning after the Closing Date.

“Pre-Closing Tax Period” means any taxable period ending on or before the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period ending on and including the Closing Date.

“Pre-Closing Taxes” means Taxes of the Company for any Pre-Closing Tax Period.

“Proposed Amounts” has the meaning set forth in Section 2.06(a).

“Purchase Price” has the meaning set forth in Section 2.05.

“Purchased Assets” has the meaning set forth in Section 2.01.

“Real Property” means all rights in real property, owned by, leased by, subleased by, or otherwise granted to, the Company, together with all buildings, structures and facilities located thereon and appurtenances thereto.

“Release” means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing or allowing to escape or migrate into or through the environment (including, without limitation, ambient air (indoor or outdoor), surface water, groundwater, land surface or subsurface strata or within any building, structure, facility or fixture).

“Representative” means, with respect to any Person, any and all directors, officers, managers, members, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

“Seller Indemnitees” has the meaning set forth in Section 8.03.

“Single Employer Plan” means a pension plan (other than a Multiemployer Plan) which is subject to minimum funding requirements under ERISA and the Code.

“SJC Petition” means the petition filed by the Buyer with the Supreme Judicial Court of the Commonwealth of Massachusetts on January 29, 2018, No. SJ-2018-0029.

“Straddle Period” has the meaning set forth in Section 6.04.

“Successor Tax” means any Pre-Closing Tax that is transferred to Buyer as a result of Buyer entering into this Agreement or Buyer’s purchase of the Purchased Assets, whether by succession, contract, or otherwise by operation of applicable successor liability Law, including under Treasury Regulations Section 1.1502-6 (or any similar provision of Law).

“Surplus Amount” has the meaning set forth in Section 2.06(d).

“Swap Fee” means the prepayment fee or yield maintenance fee to be paid by Company to Peoples United Bank or its successors upon payment of certain debt of the Company.

“Tangible Assets” means, with respect to a Person, all of the tangible assets of such Person, including (without limitation) all office, warehouse and other equipment, machinery, vehicles, furniture, fixtures, supplies, hardware, software and inventory.

“Tax Allocation Statement” has the meaning set forth in Section 6.02.

“Tax Return” means any return, declaration, report, claim for refund, information return or statement or other document relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Taxes” means all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties.

“Third Party Claim” has the meaning set forth in Section 8.05(a).

“Transaction Expenses” means all fees and expenses incurred by the Company, and any of their respective Affiliates at or prior to the Closing in connection with the preparation, negotiation and execution of this Agreement and the Ancillary Documents, and the performance and consummation of the transactions contemplated hereby and thereby, including without limitation, the fees and expenses of Keegan Werlin LLP and Fletcher Tilton PC.

“Union” has the meaning set forth in Section 3.20(b).

“WARN Act” means the federal Worker Adjustment and Retraining Notification Act of 1988, and similar state, local and foreign laws related to plant closings, relocations, mass layoffs and employment losses.