ASSET PURCHASE AGREEMENT

BY AND BETWEEN

MEADOWBROOK WATER USERS ASSOCIATION

(as Seller)

and

OQUIRRH POINT IMPROVEMENT DISTRICT

(as Buyer)

Dated February 25, 2025

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement"), dated effective as of the 25th day of February 2025 (the "Effective Date"), is entered into by and among Oquirrh Point Improvement District, a Utah special district ("Buyer"), and Meadowbrook Water Users Association, a nonprofit mutual water corporation ("Seller"). Each of Buyer and Seller may be referred to hereinafter individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, Seller operates a non-profit mutual water corporation in Erda, Utah and is engaged in the business of distributing water for its shareholders (the "Business"); and

WHEREAS, Seller wishes to sell to Buyer, and Buyer wishes to purchase from Seller, substantially all of Seller's assets used or necessary in the operation of the Business.

NOW THEREFORE, in exchange for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. TRANSFER OF ASSETS AND LIABILITIES.

1.1 Purchase and Sale of Purchased Assets. On and subject to the terms and conditions of this Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell, transfer, convey and deliver to Buyer, substantially all of the assets used in, required for, and relating to, the operation of the Business, including water rights of all types and character, easements, water diversion, pumping, measuring, distribution, storage and related facilities and appurtenances used by Seller to develop its water system and distribute water to its shareholders (the "Purchased Assets"). A complete list of the Purchased Assets is set forth on Schedule 1.1.

1.2 Assets Being Retained by Seller. Notwithstanding any provision to the contrary contained in this Agreement, the Purchased Assets will not include, and Seller will retain all rights and interest in, all non-operating assets of Seller (the "Excluded Assets"). A complete list of the Excluded Assets is set forth on Schedule 1.2. Any asset of Seller relating to or concerning the Business shall be deemed a Purchased Asset unless it is expressly identified as an Excluded Asset on Schedule 1.2.

1.3 Assumption of Liabilities. On and subject to the terms and conditions of this Agreement, Buyer agrees to assume all liabilities of Seller incurred in the ordinary course of the operation of the Business, including, without limitation, all accounts payable and accrued expenses incurred in the ordinary course of the operation of the Business (the "Assumed Liabilities"). A complete list of the Assumed Liabilities is set forth on Schedule 1.3. The Parties acknowledge and confirm that Seller has a $16,000 outstanding loan payable to Utah Youth Village, Inc. ("UYV"), pursuant to Section 1.5 of that certain Water System Acquisition and Service Agreement dated August 15, 2018, entered into by and among Seller, UYV, and Tooele

Investors, LLC (the "UYV Debt"). Buyer covenants and agrees to pay off the entire UYV Debt at the Closing. The Parties also acknowledge and confirm that Buyer has agreed to pay to UYV $5,625.22 (the "UYV Water Meters Reimbursement") for four (4) water meters previously purchased by UYV for future use in the Business. Buyer covenants and agrees to pay the Water Meters Reimbursement at the Closing.

1.4 Unassumed Liabilities. Notwithstanding any provision to the contrary contained in this Agreement, the Assumed Liabilities shall not include, and Seller shall retain full responsibility and liability for all liabilities of Seller relating to or arising out of the Business not expressly identified in Schedule 1.3 as an Assumed Liability.

2. CONSIDERATION. In consideration for the Purchased Assets, Buyer hereby agrees to provide to Seller the following consideration:

(a) Buyer shall assume total operational control, management and responsibility for the Purchased Assets and the Business by virtue of the Assignment and Assumption of Operational Control & Responsibility of the Purchased Assets, substantially in the form attached hereto as Exhibit A (the "Assignment & Assumption of Operational Control & Responsibility"), and the Assignment and Assumption of Material Contracts, substantially in the form attached hereto as Exhibit B (the "Assignment & Assumption of Material Contracts");

(b) Buyer shall provide Seller's shareholders holding Class A Stock and Class B Stock with one (1) municipal water connection per share of Class A or Class B Stock (collectively, the "Connections"), as set forth more fully in the Connections Allocation Agreement, substantially in the form attached hereto as Exhibit C (the "Connections Allocation Agreement"). The Connections Allocation Agreement shall contain certain rights and protections for the current shareholders of Seller regarding special assessments, rate increases, etc. as negotiated between Seller and Buyer. The Connections will be evidenced by Certificates of Water Connection, as provided for in the Connections Allocation Agreement; and

(c) Buyer shall bank and hold on behalf of Seller's shareholder holding Class C Stock, Tooele Investors, LLC ("T.I."), all water rights previously banked by T.I. with Seller, and issue to T.I. water right credits equivalent to the quantity of water rights being banked with Buyer, as set forth more fully in the Water Banking Agreement, substantially in the form attached hereto as Exhibit D (the "Water Banking Agreement"). The Water Banking Agreement addresses the banking of water rights appurtenant to currently un-developed land, as contemplated in Article XVII of Seller's Articles of Incorporation.

3. CLOSING.

3.1. General. The closing of the purchase and sale of the Purchased Assets and the other transactions contemplated hereby (the "Closing") shall take place at the offices of

Corporate Counsel, LLC, located at 5295 S. Commerce Drive, Suite 205, Salt Lake City, UT 84107, commencing at 10:00 a.m. local time on February 25, 2025, or such other place, date or time as the Parties may mutually determine, including the option of the Parties to close electronically at separate locations. The date and time at which the Closing actually occurs is referred to herein as the "Closing Date."

3.2. **Seller's Obligations at the Closing**. At the Closing, Seller will take the actions and deliver the documents and instruments referenced below:

3.2.1 **Assignment & Assumption of Operational Control & Responsibility.** Seller will execute and deliver to Buyer the Assignment & Assumption of Operational Control and Responsibility, substantially in the form attached hereto as Exhibit A.

3.2.2 **Assignment & Assumption of Material Contracts**. Seller will execute and deliver to Buyer the Assignment & Assumption of Material Contracts, substantially in the form attached hereto as Exhibit B.

3.2.3 **Connections Allocation Agreement**. Seller will execute and deliver to Buyer the Connections Allocation Agreement, substantially in the form attached hereto as Exhibit C.

3.2.4 **Water Banking Agreement**. Seller and T.I. will execute and deliver to Buyer the Water Banking Agreement, substantially in the form attached hereto as Exhibit D.

3.2.5 **Development Agreement**. Seller shall ensure that T.I. executes and delivers to Buyer the Development Agreement, substantially in the form attached hereto as Exhibit E.

3.2.6 **Bill of Sale**. Seller will execute and deliver to Buyer a Bill of Sale, substantially in the form attached hereto as Exhibit F (the "Bill of Sale"), (i) conveying to Buyer good, legal and marketable title in and to the Purchased Assets, and all rights, title, and interests of Seller with respect thereto, free and clear of all liens, claims, charges and encumbrances, and will execute any other documents or instruments to fully vest the Purchased Assets in Buyer.

3.2.7 **Water Deed**. Seller will execute and deliver to Buyer a Water Deed, substantially in the form attached hereto as Exhibit G (the "Water Deed"), conveying to Buyer good, legal and marketable title in and to all water rights of Seller included in the Purchased Assets (the "Water Rights"), and all rights, title and interests of Seller with respect thereto, free and clear of all liens, claims, charges and encumbrances, and will execute any other documents or instruments necessary to fully vest the Water Rights in Buyer (including any documentation and/or filings required by the Utah Division of Water Rights).

3.2.8 **Transition Services Agreement**. Seller's shareholder, Utah Youth Village ("UYV") will execute and deliver to Buyer a Transition Services Agreement, substantially in the form attached hereto as Exhibit H, pursuant to which UYV will covenant and agree to provide consulting and advisory services to the Company with respect to the operation of the Business and transition of operating control of the Business in the months following the Closing (the "Transition Services Agreement").

3.2.9 Easement Assignments. Seller will execute and deliver to Buyer an Assignment of Easement, substantially in the form attached hereto as Exhibit I (the "Easement Assignment Template"), for every Easement used by Seller in the operation of the Business.

3.2.10 Possession of Purchased Assets. Simultaneously with delivery of the Bill of Sale, Seller will take such steps as may be necessary to put Buyer in possession and operating control of the Purchased Assets and the Business.

3.2.11 Seller Consent. Seller will deliver to Buyer a consent of the shareholders and the board of directors of Seller authorizing the execution, delivery and performance of this Agreement, and all associated ancillary agreements, and the consummation of the transactions contemplated hereby and thereby.

3.2.12 Other Items. Seller will execute and deliver to Buyer all other documents and instruments required or contemplated by this Agreement, or reasonably requested by Buyer, to enable Buyer to fully utilize the Purchased Assets and carry on the Business, including such documents as may be required to assign and transfer to Buyer all rights to all names utilized in the Business, or to vest in Buyer all rights and interests in and to the Purchased Assets, free and clear of all liens, claims, charges and encumbrances other than the Assumed Liabilities. All of such documents and instruments shall be in a form reasonably approved by Buyer and its legal counsel.

3.3 Buyer's Obligations at Closing. At the Closing, Buyer will take the actions and deliver the documents and instruments referenced below:

3.3.1 Assignment & Assumption of Operational Control and Responsibility. Buyer will execute and deliver to Seller the Assignment & Assumption of Operational Control and Responsibility, substantially in the form attached hereto as Exhibit A.

3.3.2 Assignment and Assumption of Material Contracts. Buyer will execute and deliver to Seller the Assignment and Assumption of Material Contracts, substantially in the form attached hereto as Exhibit B.

3.3.3 Connections Allocation Agreement. Buyer will execute and deliver to Seller the Connections Allocation Agreement, substantially in the form attached hereto as Exhibit C.

3.3.4 Water Banking Agreement. Buyer will execute and deliver to Seller and T.I. the Water Banking Agreement, substantially in the form attached hereto as Exhibit D.

3.3.5 Development Agreement. Buyer will execute and deliver to T.I. the Development Agreement, substantially in the form attached hereto as Exhibit E.

3.3.6 Bill of Sale. Buyer will execute and deliver to Seller the Bill of Sale, substantially in the form attached hereto as Exhibit F.

3.3.7 Transition Services Agreement. Buyer will execute and deliver to Seller and UYV the Transition Services Agreement, substantially in the form attached hereto as Exhibit H.

3.3.8 Easement Assignments. Buyer will execute and deliver to Seller an Assignment of Easement, substantially in the form attached hereto as Exhibit I (the "Easement Assignment Template"), for every Easement used by Seller in the operation of the Business.

3.3.9 Buyer Consent. Buyer will deliver to Seller a consent of the board of directors of Buyer authorizing the execution, delivery and performance of this Agreement, and all associated ancillary agreements, and the consummation of the transactions contemplated hereby and thereby.

3.3.10 UYV Debt. Buyer will pay to UYV the full principal balance ($16,000) of the UYV Debt.

3.3.11 Water Meter Reimbursement. Buyer will pay to UYV the Water Meter Reimbursement.

3.3.12 Other Items. Buyer will execute and deliver to Seller all other documents and instruments required or contemplated by this Agreement, or reasonably requested by Seller. All of such documents and instruments shall be in a form reasonably approved by Seller and its legal counsel.

3.4 Post-Closing Deliveries. Each Party shall cooperate with and provide assistance to the other Party, as reasonably necessary, in relation to the following actions after the Closing:

3.4.1 obtaining third party consents for the transfer/assignment of the Assumed Liabilities or Purchased Assets;

3.4.2 obtaining any necessary permits or licenses necessary for Buyer's operation and control of the Purchased Assets and the Business;

3.4.3 transferring all of the Purchased Assets to Buyer; and

3.4.3 such other instruments and documents as Buyer may reasonably request in order to consummate the transaction contemplated by this Agreement.

4. COVENANTS AND OBLIGATIONS OF THE PARTIES.

4.1 Covenants of Seller.

4.1.1 Conduct and Preservation of Business Pending Closing. Until the earlier of the Closing Date or earlier termination of this Agreement (the "Covenant Period"), Seller will conduct the Business in the ordinary course, in substantially the same manner as previously conducted by Seller, and will use its best efforts to preserve all existing relationships with suppliers and customers and others having business relations with the Business. During the Covenant Period, Seller will maintain in inventory, quantities of supplies and materials sufficient to allow for the continued operation of the Business in the ordinary course after the termination of this Agreement or the Closing, free from any unreasonable shortage of such items. During the Covenant Period, Seller will not amend, in any material respect or terminate any contracts or the terms of any supply or purchase agreements, currently in place with any of its suppliers or customers. During the Covenant Period, Seller will not engage in any practice, or take any action or enter into any transaction, outside the ordinary course of business, without the prior written consent of Buyer.

4.1.2 Notification of Breach of Representations and Warranties. From the Effective Date and until the Closing Date, Seller will promptly notify Buyer of any fact, event or condition: (i) reflecting a material deterioration in Seller's relationship with any customers or suppliers; (ii) that would render any representation or warranty of Seller contained in Section 5 of this Agreement, if made on or as of the date of such event or the Closing Date, untrue or inaccurate in any material respect; or (iii) contrary to any of the covenants made by Seller in this Agreement.

4.1.3 Access to Information. Until the Closing Date or termination of this Agreement, Seller will continue to provide Buyer with reasonable access to all information related to the Business and the Purchased Assets as has been or may be reasonably requested by Buyer to enable Buyer to complete its due diligence review of the Business and the Purchased Assets.

4.1.4 Conditions. Seller shall use its best efforts to cause the conditions set forth in Section 7.2 to be satisfied and to consummate the transactions contemplated herein in a timely manner.

4.2 Covenants of Buyer.

4.2.1 Confidentiality. In the event the Closing does not occur as contemplated herein, Buyer will hold in strict confidence and will not divulge, communicate or use in any way, any business plans or strategies, customer lists, financial data, know-how, trade secrets or other information learned from Seller in the course of Buyer's due diligence review of the Business and Purchased Assets, for so long as such information does not become part of the public domain, through no fault of Buyer.

4.2.2 Conditions. Buyer shall use its best efforts to cause the conditions set forth in Section 7.1 to be satisfied and to consummate the transactions contemplated herein in a timely manner.

5. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller hereby represents and warrants to Buyer as follows:

5.1 Authorization and Validity.

5.1.1 Seller is duly organized and in good standing under the laws of the state of its incorporation, has the full power and authority (including corporate power and authority) execute and deliver this Agreement, and to perform its obligations hereunder, and consummate the transaction contemplated hereby. Seller is duly authorized to enter into all other ancillary agreements and instruments contemplated hereby to which it is a party or is intended to be a party.

5.1.2 This Agreement has been duly and validly executed and delivered by Seller and constitutes a valid and binding obligation of Seller, enforceable in accordance with its terms, except as limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting the enforcement of creditors' rights generally, and (ii) general principles of equity that restrict the availability of equitable remedies.

5.2 Noncontravention. The execution of and performance of the transactions contemplated by this Agreement and compliance with their respective provisions by Seller will not (a) conflict with or violate any provision of the Articles of Incorporation or Bylaws of Seller, (b) require on the part of Seller any filing with, or any permit, authorization, consent or approval of, any court, arbitrational tribunal, administrative agency or commission or other governmental or regulatory authority or agency (each of the foregoing is hereafter referred to as a "Governmental Entity"), except such filings as shall have been made prior to and shall be effective on and as of the Closing and such filings required to be made after the Closing under applicable federal and state securities laws, (c) conflict with, result in a breach of, constitute (with or without due notice or lapse of time or both) a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify or cancel, or require any notice, consent or waiver under, any contract, lease, sublease, license, sublicense, franchise, permit, indenture, agreement or mortgage for borrowed money, instrument of indebtedness, security interest or other arrangement to which Seller is a party or by which Seller is bound or to which the Purchased Assets are subject or (d) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Seller or any of its properties or assets.

5.3. Representations Regarding the Purchased Assets. Except as otherwise specifically provided in Schedule 5.3, the Purchased Assets are in good working order and repair, usable in the ordinary course of the Business, and not in the need of maintenance or repairs, except for ordinary, routine maintenance and repairs. Seller is the sole owner of the Purchased Assets. At the Closing, Seller will transfer good and marketable title to the Purchased Assets to Buyer, free and clear of all liens, claims and encumbrances other than Assumed Liabilities.

5.4 Sufficiency of the Purchased Assets. The Purchased Assets, together with all properties, buildings, structures, and fixtures currently owned or leased by Seller constitute all of the assets that are necessary or desirable to enable Buyer, following the Closing, to own, conduct, operate and continue the Business substantially as historically conducted. None of the Purchased Assets is licensed or leased from or to any third party, and no royalties, license fees or similar payments are due or payable (or may become due or payable) to any third party under any license, lease or other agreement of, to or affecting the Purchased Assets.

5.5 Contracts Related to the Business. All material contracts relating to the Purchased Assets and operation of the Business ("Material Contracts"), including without limitation (i) contracts with suppliers, (ii) contracts with customers, (iii) lease agreements regarding Seller's lease of real property, buildings, fixtures, machines, and equipment, (iv) easement agreements governing Seller's utilization of all Easements; and (v) insurance policies, are set forth on Schedule 5.5, and have been provided to Buyer. Each Material Contract is valid and binding on Seller in accordance with its terms and is in full force and effect. Neither Seller nor any other party thereto is in breach of or default under any Material Contract. Other than the transactions contemplated by this Agreement, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of material default under any Material 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. To the extent that any of the Material Contracts are not freely assignable, Seller shall reasonably cooperate with and assist Buyer both before and after the Closing in obtaining any necessary consents to Seller's assignment of such Material Contracts to Buyer, or in negotiating the terms of new contracts between Buyer and the other parties to such Material Contracts, as reasonably necessary.

5.6 Permits Related to the Business. All necessary permits, licenses, certifications, etc. (collectively, "Permits"), relating to the Purchased Assets or operation of the Business (collective, "Operating Permits") are set forth on Schedule 5.6, and have been provided to Buyer. Seller holds all Operating Permits in Seller's name, and all Operating Permits are valid and in full force and effect. Seller is not in default under, and no condition exists that with or without notice or lapse of time or both would constitute a default under, any Operating Permit. To the extent that any of the Operating Permits are not freely assignable, Seller shall reasonably cooperate with and assist Buyer both before and after the Closing in obtaining any necessary consents to Seller' assignment of such Operating Permits to Buyer, or in completing new applications for such Operating Permits, as reasonably necessary.

5.7 Easements. Schedule 5.7 sets forth a true and complete description of all easements utilized by Seller in the operation of the Business (the "Easements") and the identification of all real properties subject to such Easements. Seller has not assigned or otherwise granted to any person the right to use or utilize the Easements. Seller is not aware of any claims, defenses, disputes, causes of action, litigation, or other controversies regarding the validity, enforceability or utilization of the Easements by Seller.

5.8 Disclosure of Financial Statements and Other Information. Seller has delivered to Buyer (a) audited balance sheets and statements of income of Seller as of and for the fiscal years ended December 2021, December 2022, and December 2023; and (b) unaudited balance sheets and statements of income of Seller as of and for each calendar month from January through November 2024 (collectively the "Financial Statements"). The Financial Statements and other business data provided to Buyer by Seller are true, complete and accurate, and accurately reflect the financial position of Seller as of the dates specified, and for the periods stated therein. Seller has no liabilities with respect to the Business except for those which are adequately reflected in the Financial Statements and/or have been incurred in the ordinary course of business consistent with past practice since the date of the Financial Statements. Seller has provided Buyer with all of the information that Buyer has requested for the purpose of conducting its due diligence review of the Purchased Assets and the Business.

5.9 Absence of Certain Changes or Events. Seller is not aware of any current or anticipated facts, conditions or events (including, without limitation, facts regarding relationships with customers and vendors) that would be likely to have a material adverse effect on the Purchased Assets or the operation of the Business. Except as provided in Schedule 5.9, there have been no material adverse changes in the Business or the Acquired Assets since December 31, 2023.

5.10 Legal Compliance. To the knowledge of Seller, Seller has complied in all material respects with all applicable laws, regulations, ordinances, rules, etc. related to the ownership of the Purchased Assets and operation of the Business.

5.11 Litigation. Except as set forth on Schedule 5.11, there is no suit, action, litigation or other proceeding or governmental or administrative investigation or inquiry pending or, to the knowledge of Seller, threatened against Seller or the Purchased Assets which, if decided adversely to the interests of Seller, would prevent or prohibit Seller from transferring the Purchased Assets, free and clear, from any security interests, liens, charges, claims or other encumbrances or from otherwise complying in full with the provisions of this Agreement.

5.12 Real Properties. Schedule 5.12 lists (a) the address and sets for the true correct and complete legal description of all real property (excluding Water Rights) owned or leased by Seller which is used in the Business (the "Real Properties"). Seller has not subleased, assigned or otherwise granted to any person the right to use or occupy any of the Real Properties (or portion thereof). There are no (i) violations of building codes and/or zoning ordinances or other governmental or regulatory laws affecting the Real Properties, (ii) existing, pending or threatened condemnation proceedings affecting the Real Properties, or (iii) existing, pending or threatened zoning, building code or other moratorium proceedings or similar matters which could reasonably be expected to adversely affect Buyer's ability to operate the Real Properties as currently operated. The Real Properties are sufficient for the continued conduct of the Business after the Closing in substantially the same manner as conducted prior to the Closing, and constitutes all of the real property necessary to conduct the Business as presently conducted.

5.13 Brokers and Expenses. Seller is not obligated to pay any fee or commission to any broker, finder or intermediary in connection with the transactions contemplated by this Agreement.

5.14 Environmental and Safety Matters. Seller is not in violation of any applicable statute, law or regulation relating to environmental matters, hazardous materials or occupational health and safety matters.

5.15 Insurance. Schedule 5.15 sets forth (a) a true and complete list of all current policies or binders of file, liability, product liability, umbrella liability, real and personal property, workers' compensation, vehicular, fiduciary liability and other casualty and property insurance maintained by Seller relating to the Business, the Purchase Assets or the Assumed Liabilities (collectively, the "Insurance Policies"); and (b) with respect to the Business, the Purchased Assets or the Assumed Liabilities, a list of all pending claims for Seller since 2020. There are no claims related to the Business, the Purchased Assets or the Assumed Liabilities 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. All such Insurance Policies are in full force and effect and enforceable in accordance with their terms, and have not been subject to any lapse in coverage. Seller is not in default under, and has not otherwise failed to comply with, in any material respect, any provision contained in any such Insurance Policy.

5.16 No Material Misstatements or Omissions. Neither this Agreement nor any of the schedules or exhibits hereto, contains any untrue statement of a material fact or, when considered as a whole, omits a material fact necessary to make the statements contained herein or therein, in light of the circumstances in which they were made, not misleading.

6. REPRESENTATIONS AND WARRANTIES OF BUYER.

6.1 Authorization and Validity.

6.1.1 Buyer is duly organized and in good standing under the laws of the State of its organization, has the full power and authority to enter into and perform its obligations under this Agreement, and has obtained the necessary approvals. Buyer is duly authorized to enter into all other agreements and instruments contemplated hereby to which it is a party or is intended to be a party.

6.1.2 This Agreement has been duly and validly executed and delivered by Buyer and constitutes a valid and binding obligation of Buyer, enforceable in accordance with its terms, except as limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting the enforcement of creditors' rights generally, and (ii) general principles of equity that restrict the availability of equitable remedies.

6.2. Absence of Certain Changes or Events. Buyer is not aware of any current or anticipated facts, conditions or events that would be likely to have a material adverse effect on Buyer or its capacity to perform the obligations contemplated by this Agreement.

6.3. Consents. No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any governmental authority or third party is required on the part of Buyer in connection with the execution and delivery of the Agreement, or any other transactions to be consummated at the Closing, as contemplated by this Agreement.

6.4 Brokers and Expenses. Buyer is not obligated to pay any fee or commission to any broker, finder or intermediary in connection with the transactions contemplated by this Agreement.

7. CONDITIONS TO CLOSING.

7.1. Conditions to Obligations of Seller. The obligation of Seller to proceed with the Closing and sell the Purchased Assets to Buyer is subject to the satisfaction at or prior to the Closing of the following conditions (any or all of which may be waived by Seller):

7.1.1 Representations and Warranties of Buyer. The representations and warranties of Buyer as set forth in Section 6 above shall be true and accurate in all material respects on and as of the Closing Date, except for changes contemplated by this Agreement and except for those representations and warranties that address matters only as of a particular date (which shall remain true and correct as of such particular date), with the same force and effect as if they had been made at the Closing Date, and Seller shall have received a certificate to such effect executed by Buyer.

7.1.2 Performance of Covenants by Buyer. Buyer shall have performed and complied in all material respects with all of the covenants contained in this Agreement required to be performed by Buyer at or prior to the Closing.

7.1.3 Certification of Authorizations. Buyer shall have duly executed and delivered to Seller a certificate of the secretary of Buyer, dated as of the Closing Date, certifying the resolutions of Buyer approving the execution, delivery and performance of this Agreement and its ancillary agreements by Buyer.

7.1.4 Other Documents. Buyer shall have delivered to Seller such other documents or instruments as seller reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

7.2 Conditions to Obligations of Buyer. The obligation of Buyer to proceed with the Closing is subject to the satisfaction at or prior to the Closing of the following conditions, any or all of which may be waived by Buyer:

7.2.1 Representations and Warranties of Seller. The representations and warranties of Seller, as set forth in Section 5 above shall be true and accurate in all material respects on and as of the Closing Date, except for changes contemplated by this Agreement and except for those representations and warranties that address matters only as of a particular date (which shall remain true and correct as of such particular date), with the same force and effect as if they had been made at the Closing date, and Buyer shall have received a certificate to such effect executed by Seller.

7.2.2 Performance of Seller Covenants. Seller shall have performed and complied in all material respects will all of the covenants contained in this Agreement required to be performed by Seller at or prior to the Closing.

7.2.3 Certification of Authorizations. Seller shall have duly executed and delivered to Buyer a certificate of the secretary of Seller, dated as of the Closing Date, certifying the resolutions of Seller's shareholders and board of directors approving the execution, delivery and performance of this Agreement and its ancillary agreements by Seller.

7.2.4 Other Documents. Seller shall have delivered to Buyer such other documents or instruments as seller reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

7.2.5 Certificate of Good Standing. Seller shall have delivered to Buyer a certificate of good standing of Buyer from the Secretary of State of Buyer's state/territory of incorporation, or other appropriate governmental agency.

8. INDEMNIFICATION.

8.1 Indemnification. Each Party (as an "Indemnifying Party") agrees to defend, indemnify and hold harmless the other Party and its respective managers, members, directors, officers, shareholders, employees, affiliates and representatives (each, an "Indemnified Party"), from and against each claim, loss, liability, cost and expense (including without limitation, interest, penalties, costs of preparation and investigation, and the reasonable fees, disbursements and expenses of attorneys, accountants and other professional advisors) (collectively "Losses"), directly or indirectly relating to, resulting from or arising out of any untrue representation, misrepresentation, breach of warranty or non-fulfillment of any covenant, agreement or other obligation by or of the Indemnifying Party pursuant to this Agreement. All representations, warranties, covenants, and obligations in this Agreement and any other certificate or document delivered pursuant to this Agreement will survive the Closing until the expiration of the applicable statutes of limitation.

8.2 Indemnification Procedures. An Indemnified Party shall promptly notify an Indemnifying Party of any claim, demand, action or proceeding for which indemnification will be sought under Section 8.1 above and, if such claim, demand, action or proceeding is a third-party claim, demand, action or proceeding, the Indemnifying Party will have the right at its expense to assume the defense thereof using counsel reasonably acceptable to the Indemnified Party. The Indemnified Party shall have the right to participate, at its own expense, with respect to any such third-party claim, demand, action or proceeding. In connection with any such third-party claim, demand, action or proceeding, the Indemnifying Party and Indemnified Party shall cooperate with each other and provide each other with access to relevant books and records in their possession. No such third-party claim, demand, action or proceeding shall be settled without the prior written consent of the Indemnified Party. If a firm written offer is made to settle any such third party claim, demand, action or proceeding and the Indemnifying Party proposes to accept such settlement and Indemnified Party refuses to consent to such settlement, then: (i) the Indemnifying Party shall be excused from, and the Indemnified Party shall be solely responsible for, all further defense of such third party claim, demand, action or proceeding; and (ii) the maximum liability of the Indemnifying Party relating to such third party claim, demand, action or proceeding shall be the amount of the proposed settlement if the amount thereafter recovered from the Indemnified

Party on such third party claim, demand, action or proceeding is greater than the amount of the proposed settlement. Whether or not an Indemnifying Party shall have assumed the defense of any such third-party claim, action, demand or proceeding, no Indemnified Party shall admit any liability with respect to, or settle, compromise or discharge, any such claim, demand, action or proceeding without the Indemnifying Party's prior written consent, which shall not be unreasonably withheld.

8.3 Cooperation of the Parties. The Parties shall cooperate with each other in the resolution of any claim or liability with respect to which an Indemnifying Party is obligated to indemnify any Indemnified Party hereunder, including by making commercially reasonable efforts to mitigate or resolve any such claim or liability. In the event that an Indemnified Party shall fail to make such commercially reasonable efforts to mitigate or resolve any claim or liability, then notwithstanding anything else to the contrary herein, the Indemnifying Party shall not be required to indemnify any person for any losses that could reasonably be expected to have been avoided if the Indemnified Party had made such efforts.

9. TERMINATION. This Agreement may be terminated at any time prior to the Closing as set forth below:

9.1 Mutual Agreement. This Agreement may be terminated at any time prior to the Closing by the mutual written agreement of the Parties.

9.2 For Failure of Consideration. Either Party may terminate this Agreement by giving written notice of termination to the other Party, if prior to the Closing, the other Party has breached any of its representations, warranties, or covenants contained in this Agreement in any material respect.

9.3 Effect of Termination. If this Agreement is terminated as provided above, all rights and obligations of the Parties hereunder shall terminate without liability of any Party to the other Party; provided, however, that nothing herein will relieve any Party from liability for the willful breach of any of its representations, warranties, covenants or agreements set forth in this Agreement prior to such termination.

10. MISCELLANEOUS.

10.1 Confidentiality. The Parties hereto agree that each of them shall at all times take all reasonably necessary steps to safeguard the confidentiality of the proprietary, confidential, or sensitive information of the other party disclosed by or on behalf of that party in connection with this Agreement and that such information will be used solely for the purpose of completing the transactions contemplated by this Agreement, and that such information will not be disclosed to any third party without the prior written consent of the other party; provided, however, that the parties hereto may disclose: (i) information which at the time of the disclosure is part of the public knowledge and readily accessible to such third party; and (ii) information which is required by law to be disclosed.

10.2 Further Assurances. Seller and Buyer shall execute from time to time any and all further documents, instruments or agreements and do all other things and deliver all items, which may be reasonably necessary to effectuate and carry out any and all of the provisions of this Agreement and the transactions provided for herein.

10.3 Governing Law. The internal laws of the State of Utah (irrespective of its choice of law principles) will govern the validity of this Agreement, the construction of its terms, and the interpretation and enforcement of the rights and duties of the Parties hereto. In the event of any claim or dispute arising hereunder, the Parties consent to the exclusive jurisdiction and venue of the federal and state courts in the State of Utah.

10.4 Assignment; Binding Upon Successors and Assigns. Except as otherwise provided herein or in the Exhibits hereto, no Party hereto may assign any of its rights or obligations hereunder without the prior written consent of the other Party hereto. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

10.5 Severability. If any provision of this Agreement, or the application thereof, will for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement will remain in full force and effect and the application of such provisions to other persons or circumstances will be interpreted so as reasonably to affect the intent of the Parties hereto. The Parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of the void or unenforceable provision.

10.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be an original as regards any Party whose signature appears thereon and all of which together will constitute one and the same instrument. This Agreement will become binding when one or more counterparts hereof, individually or taken together, will bear the signatures of each of the Parties reflected hereon as signatories.

10.7 Amendment and Waivers. Any term or provision of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a writing signed by the Party or Parties to be bound thereby. The waiver by a Party of any breach hereof or default in the performance hereof will not be deemed to constitute a waiver of any other default or any succeeding breach or default.

10.8 Attorneys' Fees. Should suit be brought to enforce or interpret any part of this Agreement, the prevailing Party will be entitled to recover, as an element of the costs of suit and not as damages, reasonable attorneys' fees to be fixed by the court (including without limitation, costs, expenses and fees on any appeal).

10.9 Notices. Any notice or other communications pursuant to this Agreement will be in writing and will be deemed given if delivered personally, telecopied, sent by nationally-recognized overnight courier or mailed by registered or certified mail (return receipt requested), postage prepaid, to the Parties at the following addresses (or at such other address for a Party as will be specified by like notice):

If to Buyer:

Oquirrh Point Improvement District
13 Pier Place
Stansbury Park, UT 84074
Attn: Joe White
(e): 8303624@gmail.com

With a Copy to:

Corporate Counsel, LLC
5295 S. Commerce Drive
Suite 205
Salt Lake City, UT 84107
Attn: Ben Nelson
(e): Ben@CorporateCounselLaw.com

If to Seller:

Meadowbrook Water Users Association
1280 Whispering Horse Drive
Erda, UT 84074
Attn: Eric Bjorklund
(e): ewbjorklund@gmail.com

With a Copy to:

____
____
____
____
(e): ____________________

All such notices and other communications will be deemed to have been received (a) in the case of personal delivery, on the date of such delivery, (b) in the case of a telecopy, when the Party receiving such copy will have confirmed receipt of the communication, (c) in the case of delivery by nationally-recognized courier, on the business day following dispatch by overnight courier service (on the third business day following dispatch in the case of international deliveries), and (d) in the case of mailing, on the third business day following such mailing.

10.10 Construction of Agreement. This Agreement has been negotiated by the respective Parties hereto and their attorneys and the language hereof will not be construed for or against either Party. A reference to a Section or an Exhibit will mean a Section in, or Exhibit to, this Agreement unless otherwise explicitly set forth. The titles and headings herein are for reference purposes only and will not in any manner limit the construction of this Agreement which will be considered as a whole.

10.11 Entire Agreement. This Agreement and the Exhibits and Schedules hereto constitute the entire understanding and agreement of the Parties hereto with respect to the subject matter hereof and supersede all prior and contemporaneous agreements or understandings, inducements or conditions, express or implied, written or oral, between the parties with respect hereto. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof.

[Remainder of page left intentionally blank; signature page to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective for all purposes as of the Effective Date.

SELLER:

MEADOWBROOK WATER USERS ASSOCIATION

By: ______________________
Name: Chris Meacham
Title: President

BUYER:

OQUIRRH POINT IMPROVEMENT DISTRICT

By: ______________________
Name: Dell Nichols
Title: Chairman

[List of Exhibits and Schedules to follow]

EXHIBITS AND SCHEDULES TO ASSET PURCHASE AGREEMENT

EXHIBITS

Exhibit A	Assignment & Assumption of Operational Control and Responsibility
Exhibit B	Assignment & Assumption of Material Contracts
Exhibit C	Connections Allocation Agreement
Exhibit D	Water Banking Agreement
Exhibit E	Development Agreement
Exhibit F	Bill of Sale
Exhibit G	Water Deed
Exhibit H	Transition Services Agreement
Exhibit I	Easement Assignment Template

SCHEDULES

Schedule 1.1	Purchased Assets
Schedule 1.2	Excluded Assets
Schedule 1.3	Assumed Liabilities
Schedule 5.3	Exceptions to Condition of Purchased Assets
Schedule 5.5	Material Contracts
Schedule 5.6	Operating Permits
Schedule 5.7	Easements
Schedule 5.9	Material Adverse Changes
Schedule 5.11	Litigation
Schedule 5.12	Real Properties
Schedule 5.15	Insurance Policies