

TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT (this “Agreement”) is entered into to be effective as of the 25th day of February 2025 (the “Effective Date”) by and between Oquirrh Point Improvement District, a Utah special district (the “District”) and Utah Youth Village (“Contractor”). Each of the District and Contractor may be referred to hereinafter individually as a “party” and collectively as the “parties.”

WHEREAS, this Agreement is entered into pursuant to and as a condition of Closing under that certain Asset Purchase Agreement (the “Asset Purchase Agreement”) dated February 25, 2025 entered into by and between the District, as “buyer” and Contractor’s affiliated entity, Meadowbrook Water Users Association, a nonprofit mutual water corporation (“MWUA”), as “seller,” pursuant to which District is purchasing substantially all of the operating assets of MWUA’s water distribution business (the “Business”); and

WHEREAS, as a condition to the District’s acquisition of the Business, Contractor has agreed to provide certain services described more fully herein to aid the transition of the management and operation of the Business to the District.

NOW THEREFORE, in consideration of the mutual covenants set forth below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Term. The term of this Agreement shall commence as of the Effective Date and shall continue for a period of six (6) months. Notwithstanding the foregoing, the District may terminate this Agreement at any time for any reason upon written notice to Contractor.

2. Services. In exchange for the consideration received directly by MWUA and indirectly by Contractor under the Asset Purchase Agreement, Contractor hereby agrees to provide to the District consulting and advisory services with respect to the operation and management of the Business (the “Services”). The parties may include specific roles, responsibilities, duties and obligations of Contractor with respect to the Services on Exhibit A attached hereto. The Services shall specifically include without limitation, such roles, duties and responsibilities of Contractor reasonably requested by the District within the general scope of the relationship between the parties contemplated herein. Contractor shall perform the Services in a good faith, competent, diligent, timely and skillful manner, and in compliance with all applicable federal, state and local laws, regulations and ordinances.

3. Additional Services Fee; Payment Terms. To the extent the District desires Contractor to provide any services above and beyond the scope of the Services contemplated in Exhibit A hereto (the “Additional Services”), the District shall compensate Contractor for such additional services at the rate of \$65.00 per hour (the “Additional Services Fee”). Contractor shall invoice the District on a periodic basis (monthly) for all Additional Services Fees earned by Contractor in providing the Additional Services to the District. The District’s payment(s) of the Additional Services Fee shall be due and payable within thirty (30) days of receipt of an approved invoice from Contractor.

4. Relationship of the Parties. In rendering the Services hereunder, Contractor shall be acting as an independent contractor and not as an employee or agent of the District. As an independent contractor, Contractor shall have no authority, express or implied, to commit or obligate the District in any manner whatsoever, except as specifically authorized from time to time pursuant to a writing by an authorized representative of the District, which authorization may be general or specific. Except as expressly provided in this Agreement, Contractor shall provide all equipment and materials necessary to perform the Services rendered for the benefit of the District hereunder and using means necessary and appropriate. Contractor shall be responsible for the payment of all federal, state, and/or local taxes payable with respect to any consideration paid to Contractor under this Agreement; *provided, however*, that if the District is determined to be liable for the collection and/or remittance of any such taxes, Contractor shall immediately reimburse the District for all such payments made by the District. Nothing contained in this Agreement shall be construed or applied to create a partnership or joint venture between the District and the Contractor.

5. Mutual Indemnification. Contractor shall indemnify, defend, and hold harmless the District and its directors, officers, shareholders, parent entities, affiliated entities, representatives, successors, and assigns from and against all claims, damages, fines, penalties, losses, expenses, fees (including attorneys' and expert witnesses' fees), costs, and judgments, etc. ("**Claims**") that may be asserted against the District that result from, relate to, or arise out of any criminal, fraudulent, negligent or other tortious act or omission of Contractor in performance of the Services or Contractor's breach of any provision of this Agreement. Furthermore, without limiting the foregoing, Contractor agrees to indemnify and hold the District harmless from any withholding tax, unemployment payments, fees, penalties, expenses, assessments or other liabilities that the District may incur as a result of any determination or claim that Contractor is an employee of the District. The District shall indemnify, defend and hold Contractor harmless from and against all Claims relating to, arising out of or concern the District's breach of any provision of this Agreement or the general business operations, dealings, transactions and obligations of the District, other than Claims for which the Contractor has a duty of indemnification as provided above.

6. Expenses. Each Party will be responsible for its own expenses incurred in performance of the Services, unless specifically requested or approved by the other Party.

7. Non-Disclosure of Confidential Information.

7.1 Recognition of the District's Rights; Nondisclosure. At all times during the Term and thereafter, Contractor will hold in strictest confidence and will not disclose, use, or publish any Confidential Information (defined below), except as such disclosure, use or publication may be required in connection with Contractor's performance of the Services, or unless an authorized officer of the District expressly authorizes such in writing.

7.2 Confidential Information Defined. The term "**Confidential Information**" shall mean any and all confidential and/or proprietary knowledge, data or information of the District or any parent, subsidiary or affiliated entity of the District. By way of illustration but not limitation, "**Confidential Information**" includes (a) trade secrets, inventions, technologies, software code, algorithms, copyrighted material, patentable material, ideas, processes, methods,

formulas, strategies programs, works of authorship, know-how, improvements, discoveries, developments, designs and techniques; and (b) information regarding: plans for research, development, new product and/or service offerings, marketing strategies, business plans, budgets and unpublished financial statements, licenses, pricing models, user/customer lists and contact information, and vendor lists and contact information.

8. Work for Hire. Contractor agrees that any work product prepared for or on behalf of the District pursuant to this Agreement which is eligible for copyright protection in the United States or elsewhere shall be deemed a work for hire under 17 U.S.C. 201(b). If any work product prepared or performed by Contractor is not deemed a work for hire for any reason, Contractor hereby assigns all right, title and interest in the copyright in such work, and all extensions and renewals thereof, to the District and agrees to provide all assistance reasonably requested by the District in the establishment, preservation and enforcement of the District's copyright in such work, with such assistance to be provided without any additional compensation to Contractor.

9. Maintenance of Records. Unless otherwise directed or requested by the District, Contractor agrees to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by the District) of all Confidential Information developed by Contractor and all Inventions made by Contractor during the Term, which records shall be available to and remain the sole property of the District at all times.

10. Return of the District's Documents and Property. Upon termination of this Agreement, Contractor shall deliver to the District all notes, equipment, tools and other personal property belonging to the District, to the extent applicable.

11. Assignment. Neither party may assign its rights or obligations under this Agreement without the written consent of the other party. Subject to the foregoing, this Agreement will be binding upon and inure to the benefit of (a) the successors, assigns, heirs, executors, and legal representatives of Contractor and (b) any successor of the District.

12. Severability. In the event that any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement will continue in full force and effect without said provision.

13. Entire Agreement. This Agreement represents the entire agreement and understanding between the parties as to the subject matter herein and supersedes all prior or contemporaneous agreements whether written or oral. No waiver, alteration, amendment, or modification of any of the provisions of this Agreement will be binding unless it is in writing and is signed by duly authorized representatives of the parties hereto.

14. Governing Law; Fees. This Agreement will be governed by the laws of Utah, without regard to its conflict of laws principles. In the event of any arbitration, or any action at law or equity to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs in addition to any other relief to which such party may be entitled.

15. Counterparts and Facsimiles. This Agreement may be executed in one or more counterparts and by facsimile, each of which shall be deemed an original, and all of which together shall be considered one and the same instrument.

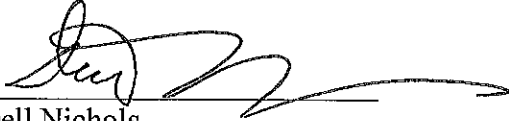
16. Acknowledgment. Contractor acknowledges that Contractor has had the opportunity to discuss this matter with and obtain advice from Contractor's personal legal counsel, has had sufficient time to, and has carefully read and fully understands all the provisions of this Agreement, and is knowingly and voluntarily entering into this Agreement.

[Signature page to follow]

IN WITNESS WHEREOF, the parties have executed this Transition Services Agreement to be effective as of the Effective Date.

THE DISTRICT:

OQUIRRH POINT IMPROVEMENT DISTRICT

By: 

Name: Dell Nichols

Title: Chairman

CONTRACTOR:

UTAH YOUTH VILLAGE, a
Utah non-profit corporation

By: 

Name: Shanna Draper

Title: President

Exhibit A

DESCRIPTION OF THE SERVICES

The Services to be provided by Contractor to the District hereunder shall specifically include the following roles, responsibilities, duties and obligations:

[illegible]